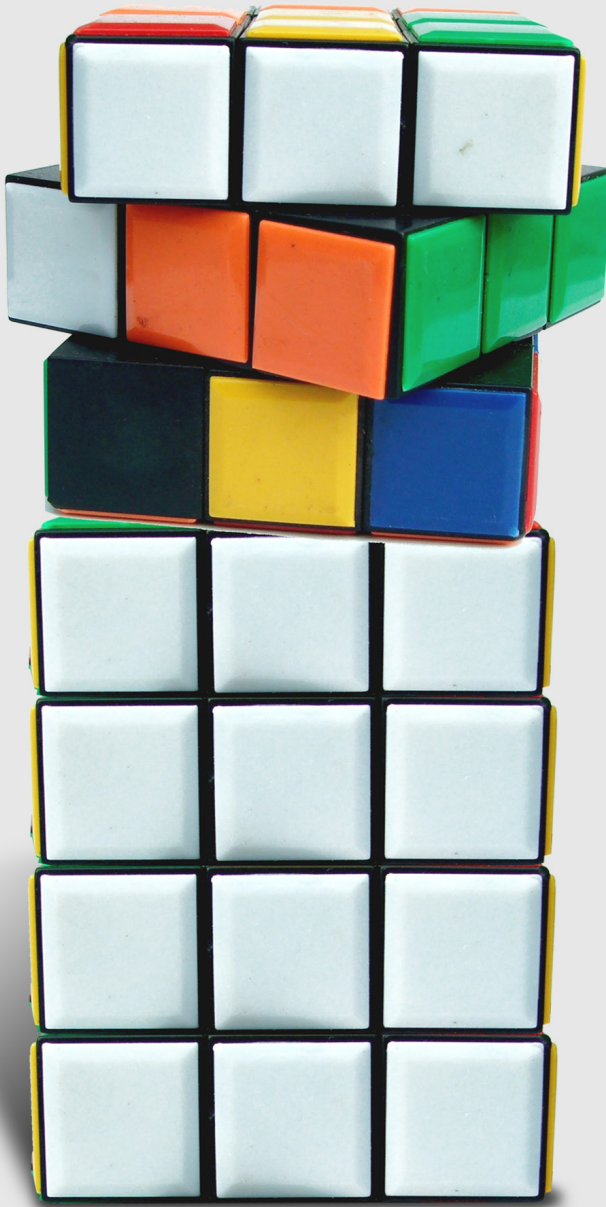




Institute of Policy Analysis
and Research - Rwanda



Developing Customer Service Delivery: **Development with a Smile?**

Improving Policy, Impacting Change



"The Issue of customer service is a serious one for the Government and Private sector and unless we overcome it, we are wasting alot of time and therefore, not achieve the kind of development we want to achieve ".

*His Excellency Paul Kagame, President of
the Republic of Rwanda 3rd Presidential
Business Round Table 4th December 2009*



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and Research - Rwanda

Development with a Smile?

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The Institute of Policy Analysis and Research-Rwanda alone remains responsible for the content of the report.



Preface

Improving customer service delivery has been signalled as a key Government priority. It has been recognised at the highest levels that poor service delivery puts at risk Rwanda achieving its ambitious targets to become a middle income country by 2020. The 2009 Government Retreat agreed a plan of action, to be taken forward by the Rwandan Development Board to improve customer care. Inward investment and growth in the tourist industry, critical for Rwanda's economic development, are dependent on delivering world class customer care. Rwandan citizens also have a right to expect quality services.

As this report makes clear Rwanda has a long way to go if the public, private and voluntary sectors are to consistently deliver to meet customer expectations of service delivery. For organisations to consistently deliver quality services there is a need for them to become customer centric, to be focused on the delivery of quality services to customers. The focus has to be on what is delivered and perceived value (value for money) as much if not more than on how the service is delivered. This requires a transformation in organisations so that they deliver customer service excellence and is about a cultural change with customers being put first. To support this process we provide examples of what has worked elsewhere and a roadmap for institutional transformation.

Most importantly we provide guidance for a National Development Plan which would enable the Government to provide leadership in transforming service delivery. We recommend that the Government incentivises, facilitates and encourages improved service delivery as well as putting in place regulations to support the process. This is one of two reports from IPAR as outcomes from the project on customer care. The other is a report on the case study of the financial services sector, *Customer Care in the Financial Sector: A Case Study*. In addition we have also developed a Toolkit that service providers can draw on to take actions to improve service delivery.

Antonia Mutoro
Executive Director



IPAR PROFILE

ABOUT IPAR

The Institute of Policy Analysis and Research (IPAR) is a local, autonomous, independent think-tank or policy research institute, the first of its kind in Rwanda. IPAR was registered as an independent, not-for-profit, and non government research and policy analysis Think Tank in 2001. Under the provisions of Law 20/2000, IPAR is legally registered as a nonprofit making organisation.

Governance

The General assembly is the supreme decision-making body of the institute. It approves the statutes and overall policy direction of the institute. It coordinates the operations of the Board of Directors. The Board of Directors oversees the implementation of the programs and activities of the institute, and monitors the utilization of resources. Its members representing a diversity of interests including the government, civil society, private sector, development partners and academic institutions.

IPAR'S MISSION

To enhance evidence based policy making and promote the culture and capacity to debate and dialogue on policy issues in Rwanda through conducting timely, relevant, high-quality, policy-oriented analysis and research.

IPAR'S VISION

We are dedicated to become an institute that promotes sound policies in Rwanda to create opportunities for the wellbeing of Rwandans in ways that uphold economic prosperity for all.

IPAR GOALS AND OBJECTIVES

Goal 1- Become an established forum for debate, knowledge and learning that generates respected, relevant and influential policy analysis and research

Objectives:

- Conduct and commission relevant research
- Get research published in respected sources and used in policy debates
- Convene and host public policy debates
- Develop and maintain a documentation centre.

Goal 2 - Extend and deepen the relationships that will allow IPAR to deliver its work

Objective:

- Build and maintain networks and partnerships.

Goal 3 - Strengthen our independence and sustainability

Objectives:

- Secure our long-term future by mobilizing resources



- Become independent from HIDA

Goal 4 - Build internal and external capacity to fulfill our mandate

Objectives:

- Complete the establishment of the organization, and build and maintain robust internal systems and processes
- Develop internal and external capacity for policy analysis and research.

IPAR VALUES

- Objective: We're open, honest and impartial about the work we do and the conclusions we reach.
- Collaborative: We work closely with our colleagues within IPAR, and build partnerships with other institutions.
- Creative: We encourage new ways of looking at the world, by organizing ourselves and our work around cross-cutting themes not disciplinary silos.

Thought-provoking: We aim not just to inform debate but to foster it.

- Pragmatic: We never forget that our goal is to influence policy, and that research is just a means to that end.
- Hands-on: We believe the weakness of policy implementation requires that we pay careful attention to how things are working on the ground.
- Competitive: We recognize that we are one among many voices competing for the ear of policy-makers, thus we aim to be the one that gets listened to.

RESEARCH THEMES

IPAR conducts and commissions timely, relevant, high-quality and policy-oriented analysis and research. Our research is organised around 4 cross-cutting themes, which are:

1. Rwanda S.A.: developing a thriving private sector
2. Rural lives and livelihoods: pathway to prosperity for the rural poor,
3. Skills for tomorrow: transforming human capacity and
4. Citizen centered services: putting citizens at the center of service delivery.

In addition, we have built some networks and partnerships, such the Economic Policy Research Network (EPRN), which is a joint partnership of IPAR, World Bank, National Institute of Statistics, Ministry of Finance and Economic Planning and the National University of Rwanda. EPRN aims to build a community of economic policy practitioners in Rwanda.

It brings together researchers and analysts working in economic policy, poverty reduction and related fields through collaborative training, research and policy debate. The EPRN is hosted by IPAR, which coordinates all the network's activities.



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A Note on Terminology

- In this report we generally use the word customer generically to mean the user of a service whoever provides that service and whether or not the service is paid for at the point of delivery. A customer may be an individual or another organisation or business. Customer is most frequently used to refer to the purchaser of a service, although other terms are often used such as passenger or tourist. However, the users of government services are generally referred to as citizens, the users of health care services as patients, those of professional services as clients and of educational services as pupils or students (although arguably parents also have a stake). Consumer is also frequently used to refer to the user of a service or purchaser of a product.
- In this report we are focusing on the service sector that is firms, institutions and organisations that provide a service to the public and / or to other firms. The private, public (government) and voluntary (civil society) sectors are all providers of services. Appendix 1 provides a list of the service sector. However, even in organisations and firms that do not provide a service directly to customers there are internal customers and service providers. The human resource department, for example is a service provider. The service encounter is critical in all industries not just those traditionally defined as service industries. Much of this report, including the recommendations for developing an ethos of the continuous enhancement of service delivery, applies equally to the service departments and units within organisations.
- We generally use the term service provider to refer to firms, business and organisations that provide a service.
- Feedback means asking customers to provide an evaluation of a service provided. This is generally done by asking customers to complete a brief questionnaire and/or by asking for comments on the service provided and/or by providing a suggestion box. Consultation means some form of dialogue with customers, most frequently by organising focus groups of customers where there is a genuine dialogue between customers and service providers. It is a dynamic process of dialogue between individuals or groups, based on a genuine exchange of views, with the clear objective of influencing decisions, policies or programmes of action. However, while opinions are solicited the decision maker is not necessarily bound to abide by what is said. A major example in Rwanda would be the National Dialogue.
- Stakeholder: An individual, group or party that either affects or is affected by an organisations, service, policy, programme or decision.



Abbreviations and Acronyms

EFQM	European Foundation Quality Model
HEC	Higher Education Council
HEI	Higher Education Institution
IIP	Investors In People
IPAR	Institute for Policy Analysis and Research
ORTPN	Rwandan Tourist and National Parks Organisation
RDB	Rwanda Development Board
RPSF	Rwanda Private Sector Federation



Executive Summary

Introduction

Recognition at the highest level has been given to the need to improve customer service delivery in Rwanda and the Cabinet has appointed a National Task Force to take forward implementing recommendations agreed at the 2009 Government Retreat to improve service delivery. Improving service delivery is essential if Rwanda is to achieve its ambitions to be a service led economy and to achieve Vision 2020. Improved service delivery will increase profitability and support economic growth. Urgent action needs to be taken to raise awareness of the problem amongst providers and users of services. The country needs to transform itself from a country with poor service delivery to one to which delivers world class services.

Research has already conclusively demonstrated that poor service delivery is endemic in Rwanda and it is seen as the worst in the region. Our case study of the financial sector confirms the findings from earlier research that there is a lack of an embedded value of customer service in Rwanda and to understand in more depth the contextual challenges. These include: a lack of awareness of the importance of time; lack of competition; a lack of qualified and experienced employees at all levels in organisations; general dissatisfaction amongst employees and a lack of 'ownership' of responsibility for poor service delivery, and: a lack of awareness by consumers of the quality of service delivery they are entitled to. Neither management nor front-line workers consistently take responsibility for delivering good customer service. The islands of good practice stand out as untypical of the general experience.

There is a general tolerance of poor service delivery by Rwandans and expatriates quickly adapt to accepting bad service. Poor service delivery is often tolerated because of a lack of an alternative, either the supplier has a monopoly or competitors do not offer a better service. Complaints are often not resolved to the satisfaction of the complainant and there are rarely formal complaints procedures in place.

Managers and customers are vaguely aware that service delivery needs to be improved but do not understand what steps need to be taken to improve service delivery. Service providers do not have policies, practices and procedures or strategies in place for customer relations management and there is little evidence of a commitment to the enhancement of the quality of service delivery.

Drivers of Customer satisfaction

Customer service excellence is meeting customers' expectations and needs. Organisations need to drive customer-focused change within their organisations. To provide service excellence organisations need to have customer insight (understand who their customers are and what their needs are), to build a customer-focused organisational culture, to deliver what they promise (the product) and to provide timely, professional and polite service delivery.



There are three drivers of customer satisfaction, the quality of the product, the quality of service delivery and perceived value-for-money (cost-benefit analysis). Whilst often the main focus is on the quality of service delivery research suggests that the quality of the product (that it meets expectations) and value for money are more important drivers than the quality of service delivery per se. Satisfied customers are more likely to return than dissatisfied ones and more likely to recommend the service to others. Whilst value-for-money is less of a consideration for individual users of public services governments are responsible for ensuring public services provide value-for-money

Improving Customer Service Delivery

The Rwanda Development Board has been entrusted with the mission to improve the quality of service delivery in Rwanda as part of its development programme to stimulate the private sector and make Rwanda an ideal place to do business, work, study, and live.

However, there is a need to build on the initiatives taken to date, which have mainly focused on front-of-house operatives, and tackle the root causes by transforming service delivery and embedding customer centric values throughout organisations.

Service delivery needs to be transformed in the public, private and voluntary (civil society) sectors. Strategies for improving service delivery apply equally to all sectors but in the public sector it has to be recognised that customers are also stakeholders. Public services 'belong' to citizens.

However, to the extent that steps have been taken to improve customer service delivery in Rwanda the focus has been on fixing the symptoms rather than the underlying causes. Training, for example, has been given to front-line-workers rather than the underlying causes of poor service delivery being tackled. Beyond this, the need to improve firm-to-firm service delivery has been given little consideration. Nor has the need to join-up strategies to improve content with those to improve delivery recognised. There is, for example, an urgent need to link the Developing Tourism Master plan with the strategies to improve customer service delivery.

Organisational Development

Poor service delivery has to be seen in the context of a more general lack of commitment to quality enhancement in organisations. Quality services are delivered by quality organisations. More recognition needs to be given to the fact that service delivery is as much about what is delivered as how it is delivered.

Improving customer service delivery means improving the 'quality' of the organisation. Customer service delivery will only be improved by developing and building quality and transforming organisations so that they are outcome focused and customer centric. Business performance (customer service) requires a planned approach to setting and communication business objectives and developing people to deliver them. The service provider has to be focused on delivering customer service as do all the employees from senior management to the cleaners.



Customer service delivery involves a chain of dependencies both within a supplying organisation and between service providers. Front-line staff depend on back-room staff, and staff in general depend on management to deliver to customers. Firms rely on services provided by other firms. Internal service delivery has to be improved before service delivery to customers can be improved. In considering customer service delivery it is important to include firm-to-firm as well as delivery to consumers.

Investing in people

Employees who feel valued by their employer and have some control over their work deliver better customer service. Micro management needs to be avoided and workers trusted and given delegated responsibilities appropriate to their role. Front-line workers in the service sector are engaged in emotional labour and a key element of their work role is managing their emotions. Emotional management needs to be recognised as a skill and employees need to be trained in emotional labour as well as the technical aspects of service delivery.

Case Study of Customer Service Delivery in the Financial Sector.

Our case study research of the financial sector found that service delivery was generally poor despite previous research indicating that it provided better quality service than many other sectors. The main drivers of poor service delivery were a lack of a clear commitment by senior management, no policies or strategies in place for customer service delivery, little training of staff in customer service delivery, no mechanisms for getting feedback from customers and no formal complaints procedures in place. There was poor provision of information for customers and potential customers. Many customers felt that service delivery was poor but were at a loss to know what to do about it.

What needs to be done: learning lessons from elsewhere

To transform customer service delivery in Rwanda a value of customer service excellence needs to become embedded in the society generally and in organisations, public, private and voluntary (civil society).

The Government can provide leadership by implementing policies, practices and procedures in the public sector as, for example, have the governments in South Africa and the United Kingdom. In doing this it can build on the good practice of, for example the *Rwandan Citizen Report and Score Cards*, and the Council for Higher Education as well as ensuring the full implementation of the government project. The Government can also, for example, put in place: regulations to require service providers to provide good customer care as has that European Parliament for the airline industry, and; provide an Ombudsman service to mediate between service providers and customers when the two parties are unable to resolve a complaint. The Government can also 'educate' citizens so that they understand their entitlement as the South African Government has done as part of their campaign to improve the delivery of public services. Progress can be monitored nationally by having a National Customer Satisfaction Index to provide a key performance indicator, modelled, for example, on that used in a number of countries including Sweden, the United States and Singapore. While the Government can provide leadership, regulate, encourage and facilitate,



if customer care delivery is to improve all service organisations in Rwanda have to develop and implement a plan for organisational development and continuous quality enhancement. The Quality Enhancement Framework developed by the higher education sector and whose implementation is overseen by the Higher Education Council provides an example of a plan to improve 'customer' care in one sector. The Framework is not just about the quality of the delivery of higher education but also the standard of awards. The aim is for higher education institutions to provide a quality education and internationally benchmarked awards, thus ensuring that higher education and higher educational qualifications in Rwanda are world class.

Policy Recommendations

The main policy recommendation is that Rwanda adopts a vision of providing:

World Class Service Delivery

Specifically the Government should, building on the initiatives taken following the 2009 Government Retreat, provide leadership, encouragement, empowerment and regulation through the development and implementation of a *Rwanda Customer Service Implementation Plan*. Following the acceptance of this recommendation by the Government, a Steering Committee that includes independent members and consumers should be set up to develop a strategy and 5 year implementation plan.

Based on our findings we recommend that key elements of the Plan should include:

- A high profile Government campaign to raise awareness of the importance of customer care and citizens right to expect good service delivery. The campaign to include a high profile competition for a logo and slogan for the policy.
- The instigation of a National Customer Care Week. During the week senior and middle level managers should 'go back to the front line' for at least one day and senior central and local government officials, members of parliament and politicians should become 'mystery shoppers' and write a brief reports on their experience. The week should conclude with a high profile ceremony for the National Customer Care Awards.
- The Government to provide leadership by developing and implementing a programme designed to improve the delivery of public services including the introduction of a Rwandan Customer Service Excellence Standard for the public sector.
- The development and implementation of the Ikaze Rwanda Development Plan to improve service delivery in the tourist sector including RDB initiating a scheme for the quality grading of hotels and guest accommodation.



- The development and implementation of the Ikaze Rwanda Development Plan to improve service delivery in the tourist sector including RDB initiating a scheme for the quality grading of hotels and guest accommodation.
- Identify all service sectors and support the sectors in developing strategic plans and implementation strategies to improve the content and coverage of the services they offer taking account of the need for coordination and joined-up thinking;
- Legal regulation for service providers requiring that they have a Customer (Citizen) Charter with the rights to redress for failure of service delivery clearly specified. An Omdurman Service to provide an independent mediation service when those complaining about a service are not satisfied with the service provider's response to their complaint about poor service delivery.
- The establishment of an organisational development agency to accredit institutions and carry out external quality audits. All Organisations in Rwanda to be encouraged to adopt the European Foundation Quality Model (adapted as appropriate for use in Rwanda) and to become Investors in People and the provision of a Masters in Organisational Development.
- A Qualifications Framework put in place to enable workers in the service (and other sectors) to gain recognised vocational and academic qualifications through life-long learning, building on the Rwanda Higher Education Qualifications Framework and designed, to enable learners to move between academic and vocational qualifications. Opportunities to be put in place for work-based accredited learning to be introduced at all levels including for a masters programme in Organisational Development.
- An Annual National Customer Satisfaction Survey commissioned by RDB from a university or independent research organisation modelled on that conducted in the US and other countries to be used as a key performance indicator for monitoring progress in implementing the policy.



Introduction

Rwanda aims to build its social and economic development on the service sector to become a service economy. To do this it is essential that a value of service delivery becomes embedded in the country as a whole. The role of government is to set the framework, provide leadership, facilitate and where necessary regulate to ensure that there is a commitment to world class service delivery at the core of the society. Research has already clearly demonstrated not only that there is poor service delivery in Rwanda but that it is the poorest in the Region. Urgent action is required to remediate this and plan how service delivery can not only be improved but strategies put in place to move towards the delivery of world class services.

This policy analysis and research report is designed to support the development of an embedded service delivery value system in Rwanda. It is designed to enable an understanding of the role Government can take in ensuring that a customer service ethic becomes embedded in Rwanda. The Government can provide a strategic framework and leadership within which organisations can develop strategies to deliver customer care excellence.

The emphasis on improving service standards is global and two key values have been identified that underpin service excellence. The first of these is that those providing the service are passionate and feel a sense of pride in delivering a quality service. Great service comes from people who perform consistently, every day with love, pride and quality. The second is that that service work is valued, that people doing it feel that they are in a respected job and are well rewarded for the work they do. Service workers need to be respected (Knowledge@SMU, 2009). This, however, is only the beginning of the story. Focusing only, or even mainly on those workers who directly deliver the service is treating the symptoms rather than the underlying causes of poor service delivery. Quality services are delivered by quality organisations. Customer service excellence is dependent on having service centric organisations:

- Where customer service is mainstreamed in the organisations/ institutions policies, practices and procedures;
- Where those who work within the organisation, at all levels from senior management to the most junior members of staff, demonstrate appropriate values and understand as well as know how operations and procedures meet customers' needs and expectations;
- That have an in-depth understanding of their customers' needs gained through consultation, monitoring and evaluation;
- That communicate with customers by providing accurate and detailed information and keeping them informed;
- That deliver the service they promise, in a timely and efficient manner and deal efficiently with any complaints;
- Where front-of-house staff and others who deal directly with customers are professional and polite.

Beyond this it is important to recognise that service sector organisations are dependent on the delivery of the services they require to deliver to their customers. The delivery of services is dependent on a chain of dependencies including infrastructure. In a service economy the focus has to be on delivering high quality services with all sectors and organisations working together.



It is also essential to empower individuals and communities so that they understand what they should expect and know how to ensure they get it. The report is in three main parts:

- Part one reviews what research tells us about best practice in developing and delivering excellence in customer service delivery. It tells us what is already known about the standard of customer service delivery in Rwanda and it reviews what Rwanda can learn from elsewhere if it is to improve its level of customer service delivery. It concludes by outlining how organisations can become customer centric;
- Part two reports on a case study of customer service delivery in the financial sector in Rwanda;
- Part three puts forward proposals for the development of a customer care strategy for Rwanda.

Appendices 6 and 7 provide examples of Development Plans, Appendix 9 provides a route map for organisational transformation and Appendix 10 provides examples of Toolkits to support organisations in developing and implementing a customer care strategy.

Cook (2008) indicates that: good service is meeting customers' expectations; *excellent service* is exceeding customer expectations, and; to provide *world class service* it is necessary to improve the total relationship with the customer- to become customer centric through transforming the processes through which service is delivered. In a globalised world customers increasingly expect world class service excellence.

To improve customer service delivery it is essential to have 'customer insight' and to use that insight to improve customer service delivery. It is essential for organisations to systematically understand the needs and behaviour of their customers, broken down by customer segments. Banks for example need to understand the need of personal customers and business customers and segments within these two main groups. Insight can be gained from a variety of sources including intelligence from staff, information held on customers, usage data, complaints, compliments and comments, surveys, feedback and consultation exercises. Initially organisations should start by asking themselves what they already know and consulting with their own staff. Then they should undertake research to measure the customer experience. Organisations that have a comprehensive understanding of their customer base are more likely to deliver services aligned to consumer needs and expectations. It is important for all service providers to design services around the needs of their customers. Appendix 9 provides examples of tools that organisations can use to gain customer insight as the basis for improving service delivery. However, routinely collected data can also be used to inform how customer service delivery can be improved (see e.g. Centre for Applied Research on Population and Development 2003; Front Office Shared Services 2008).

Measuring the customer experience is of course only the first stage in service transformation and striving for excellence in service delivery. The information gained has to be analysed, strategies developed to improve the customer experience and staff and customers consulted. Then action needs to be taken to implement the agreed strategies. Monitoring and evaluation of the customer experience and the introduction of strategies for improvement are then an essential element of organisational planning and development.

Although this report is focused on developing recommendations for enhancing customer

service delivery in the service sector much of it is relevant to other organisations in Rwanda. All organisations have internal service providers and customers and many are engaged in providing firm-to-firm services. Many of the recommendations relate to organisational development and developing a commitment to continuous quality improvement. Tools such as the *European Foundation Quality Model* and *Investor in People* are generic organisational development tools that can be used by any organisation to improve its performance. Independent external audit provides public confidence in a service provider and its ability to deliver quality services.

In the final chapter we provide policy recommendations and steps that can be taken to improve service delivery in Rwanda. These are directed at both the Government and in a separate report we provide recommendations for individual organisations (IPAR 2010). In developing these recommendations we have looked at examples of good practice in other countries including South Africa, India, the United Kingdom and the United States of America.

The report includes a case study of the financial sector. A separate report provides more details of the findings from that case study and specific recommendations for that sector that arise from the findings from the case study (IPAR 2010). The recommendations can, however, be easily adapted to meet the need of organisations in all service sectors and for organisations of any size. Background and Findings from the Desk Research



Background and Findings From the Desk research

Why do We Need A Customer Care Strategy?

In a globalised world all countries need to meet the highest international standards if they are to compete on the world stage. Rwanda has recognised this at the highest levels and began the first steps on the journey to improving customer care. However, the first tentative steps need to be built on and initiatives to improve customer care to be coordinated if Rwanda is to deliver world class service excellence.

Rwanda needs a customer care strategy, a strategy to ensure that the public, private and voluntary (civil society) sectors provide excellent customer service. Such a strategy is essential if Rwanda is to achieve the targets set in Vision 2020 and the Economic and Poverty Reduction Strategy for social and economic development.

Rwanda aims at being a service based- economy putting emphasis on providing high-end products and services copying Singapore and South Korea as economic growth models. But if no serious action is taken against poor customer service among both public and private institutions in Rwanda, this dream may never come true (New Times, 6th November 2007).

Improving customer service delivery in Rwanda could improve GDP by as much as US\$40M a year (IPAR 2009). The service sector accounts for 44 percent of the Rwandan economy and Rwanda's principal growth industries depend on quality service delivery. Customers are good for business, being a customer focused service provider makes good business sense. It is not only that firms with high levels of customer satisfaction increase their profitability and are less likely to go out of business in an economic downturn but customers are literally what makes pay day possible (Figure 1). It is not only owners and employers who benefit when a firm is customer focused but so to do the employees. Taxi drivers in India, for example reported that they received bigger tips after they had been trained in customer service delivery (Purkayastha 2007).

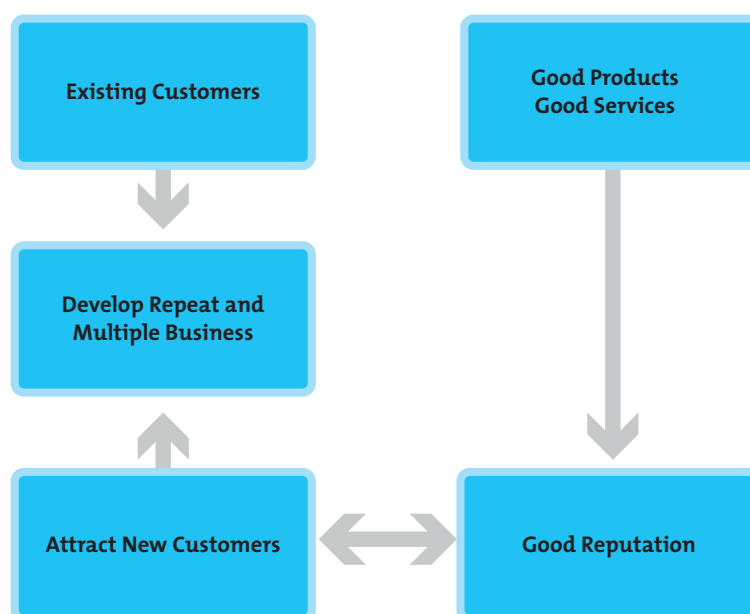
Satisfied customers are more likely to repeat business and to make recommendations than dissatisfied ones and it is less expensive to keep existing customers than attract new ones. Customer loyalty is a prime determinant of the long-term financial performance of firms (Jones and Scarce 1995) and this is especially true for the service sector where customer loyalty can substantially increase profits (Reichheld 1996). Satisfied employees are more likely to deliver good customer service and delivering good service is rewarding for employees and increases their job satisfaction (Figure 1).

Delivering good services requires applying customer insight and focusing on what is delivered as much as on how the service is delivered. Deep insight into customers needs can reduce the time and money spent on contact that has no value and ensures that services are relevant and easy to use. Attention needs to be paid to internal processes and the internal customer as well as external customers. Customer journey mapping is an especially useful tool for uncovering blockages in service delivery and internal departments not working together to deliver services to external customers (see Appendix 10).

Dealing effectively with customer complaints when service deliver fails is also important. Failure to deal with negative outcomes can result in losing customers, negative word of mouth and decreased profits. Dealing effectively with complaints provides an opportunity for organisations to please and retain customers. Yet research shows that most customers

are dissatisfied with how their complaints are dealt with (Bitner et al 2000)

Figure 1: The power of Existing Customers



In the same way as firms want customers to use their services, governments want citizens to use many of the services they provide. While many services may be directed at individual citizens the aim of service provision is related to the social and economic development of society. Not only individuals benefit from the service but society as a whole.

The stakeholders of government services are the customers (citizens), public services are 'owned' by citizens. Satisfied citizens are more likely to support the government and there is significant evidence that if people are generally satisfied they are more productive and pro-active. Governments in many cases want citizens to use services and if service delivery is very poor many may choose not to use the services on offer even where there is no alternative (affordable) supplier. The government is a monopoly provider of many services and even where it is not many citizens cannot afford to purchase from alternative suppliers.

Furthermore, many government services are used by the business community and have a direct impact on the private sector (and other government organisations) ability to operate efficiently and effectively. Others are integral to providing a legal and regulatory framework for a stable society within which business and individuals can operate.

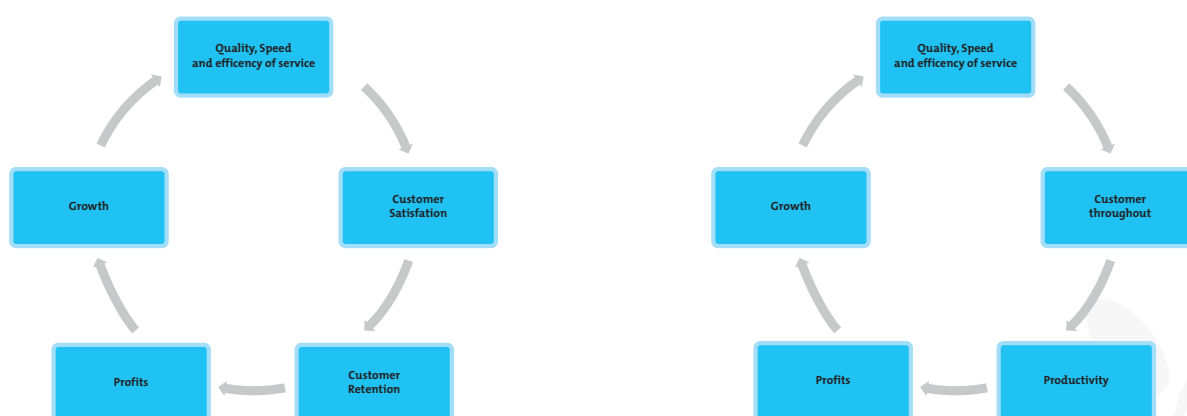
Examples of this are national banks, police forces and many services provided as part of financial regulations, for example when setting up a business or buying land. Both government and private services providers are important for attracting inward investment,



keeping investors in Rwanda and attracting tourists and business visitors. A customer focus is essential to attract and retain investors and visitors. Research has demonstrated that customer satisfaction is important in attracting and retaining customers and in turn for profitability (Customer Satisfaction, nd) (see Figure 2). Key findings include:

- The main reason customers change providers is as a result of poor service delivery
- It costs about five times as much to attract a new customer as to keep an existing one;
- Raising customer retention rates by five percent could increase the value of the average customer by 25 – 100 percent;
- The probability of selling services to a new customer is 1 in 16 compared with a probability of selling to an existing customer of 1:2.2;
- It is easier to get present customers to buy 10 percent more than to increase the customer base by 10 percent;
- Loyal customers who refer others to the service provider generate business at very low cost;
- 91 percent of dissatisfied customers will not use the service again;
- The average business loses between 10 and 30 percent of its customers every year;
- For every customer who complains there are 26 others who do not bother;
- While over 95 percent of unhappy customers do not complain to the service provider they typically tell at least 15 other people, while satisfied ones will tell six at most;
- Customers approve of customer satisfaction surveys.

Figure 1:: Modelling the Impact of Customer Service on Profit and Growth



What Do We Mean by A Customer Centric Service Provider?

We mean a provider with a mindset and approach across the organisation that leads to positive customer/client/citizen experiences delivered consistently across the board driven by the top-management team. That there is support for customer-focused approaches throughout the service provider so that excellent service is delivered to all customers. That the customer is central to everything the service provider does – it is outcome focused on its core business of delivering to the customer and staff behave in a professional and in an appropriate manner. We mean that there is a focus is on the total customer experience – what is delivered as well as how it is delivered. We mean a commitment to customer relation management that is the core element of policy and strategic implementation.

Customer focused service providers often have a charter which clearly sets out the standards of service they will provide. A charter is written as a series of quality promises related to the services rendered by the institution. The charter places a moral obligation on a service provider to render the services it claims to do and to strive to get things right first time. It effectively outlines a social contract between the service provider and the customer. A key requirement of a quality promise is that it is realistic, achievable and measurable. Potential customers must be able to understand what is being promised and customers to be able to decide if they got what they were promised. In unsophisticated markets customers may need to be educated as to what they should expect from service providers (Appendix 10 provides examples of customer charters).



Who Provides Customer Care?

Customer care at one level is provided by front line workers who directly serve/deal with customers whether face-to-face, on the telephone, or via the internet. Understanding the dynamics of the service encounter and how to satisfy customers is clearly important. However, more fundamentally customer care is provided by the organisation, and responsibility for delivery lies with all employees and ultimately with senior managers. Senior managers are responsible for policies, strategies, practices and procedures for customer care and enthusing staff. Often front line workers are seen by managers as responsible for customer care and frequently they are the ones who are trained in delivery and the ones blamed by managers and customers, if service is poor.

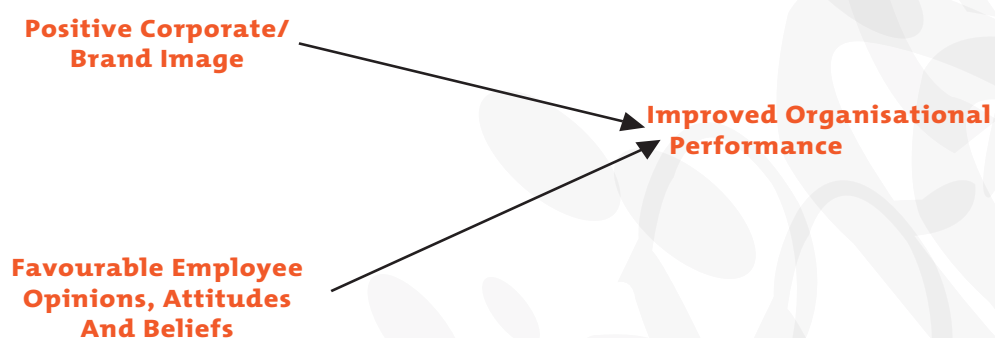
They are the representatives of the company that customers engage with. There is however, evidence that prescriptive management campaigns to improve customer care and strong performance management of employees delivery of it does not necessarily have the desired results. Good customer service by front line employees tends to be delivered when employees have some control over how they do the job including having adequate time to interact with the customer and feel valued by their employer (Study 1998). Customer care is provided by the whole organisation. Poor service delivery and customer relation management is mostly due to a lack of internal communication, co-ordination and co-operation, that is, to a lack of internal customer care (Benseler 2006). Good customer care is provided when striving for continuous improvement and excellence in service delivery is embedded as a core value of the service provider and the service provider is focused on delivering excellent service to the customer. It is especially easy for internal departments to lose sight of the purpose of the organisation and then fail to deliver a service to the front-line workers thereby endangering the quality of service provided by the service provider to its customers.

Figure 3: The Service/Value Chain



Organisations need to value their staff. Staff who feel valued perform better than those who do not, work harder. Satisfied employees care about the quality of their work, are more committed to the organisation, are more likely to stay and are more productive.

Figure 4: How Employees Drive Organisational Performance





However, front line workers are expected to engage in ‘emotional labour’ and to manage their emotions (emotion work) in their engagement with customers (Hochschild 1979, 1983). Employees are expected to understand the customer’s situation and treat them in a friendly and courteous manner even in the face of rude, abusive and aggressive behaviour by the customer. Employees are expected to manage their ‘presentation of self’ in order to give a socially desirable performance and it needs to be recognised that this requires conscious effort and work (Bolton and Boyd 2003). Employers and customers expect front line service workers to follow rules, scripts and norms for interaction with customers and the delivery of services. To do this, they need to be trained in customer service delivery, and to be supported in delivering front line services by the back-room operations and by management.

What Are the Key Drivers of Customer Satisfaction?

Service providers need to manage the delivery of customer care, to have in place customer relations management as a core management function of the organisation. The challenge is for firms to identify the critical factors that determine customer satisfaction and loyalty.

The main barriers to businesses achieving higher levels of customer care are an emphasis on achieving short term goals, a lack of commitment by senior managers and a lack of training (Cook 2008). To embed good customer service in the corporate culture of a service provider requires senior managers to put considerable time and effort into building customer-driven organisations.

Service delivery is influenced by supply and demand side factors at both the level of the firm and of society. Organisations are responsible for the quality of the service they deliver but the extent to which customers demand excellence in service delivery will influence the behaviour of firms. A country’s overall quality of service delivery will depend on the quality of service delivery by individual organisations; poor service delivery by a number of key providers will impact negatively on service delivery in general.

The key drivers of customer satisfaction (and future intention) are core service delivery (the promise), relational service quality (how the service is delivered, staff attitude/professionalism) and perceived value for money, (the difference between perceived benefits and costs). The relative importance of each of these varies across services but the two main drivers of overall customer satisfaction are core service delivery, what is delivered, and perceived value, a perception by customers that they got ‘value for money’ (Figure 4). Customer satisfaction with service delivery is significant but a less important driver (McDougall and Levesque 2000; Szmanski and Henard 2001).

However, for Government services value-for-money is infrequently a consideration as most services are provided at no or minimum cost and often users have no alternative. The UK Government (Office of Public Services Reform 2004) commissioned research to uncover the drivers of customer satisfaction with public services. The main drivers were found to be common across public services and again how the service is delivered was found to be less important than core service delivery. Staff attitude only explains 12 percent of variation in satisfaction and professionalism 16 percent (28 percent in total). Core service delivery accounted for 72 percent (outcome 30%, timeliness 24% and information 18%).

It is clear that significant attention needs to be paid what is delivered and the organisational processes in delivering services. Competent, polite and friendly staff are important but significantly less so than the delivery of the core service.

Figure 5: Key Drivers of Customer Satisfaction



LOYALTY OR SWITCHING INTENTIONS

We should note that in the case of some services where technical knowledge is involved, the customer may not have sufficient knowledge to judge the quality of the service or even of the delivery of the service. This will impact on the customer's ability to judge the quality of the service. This is the case for example in health care and education. Students, for example do not have adequate knowledge to judge the quality of the curriculum or of pedagogy, nor are they best placed to judge the value of a degree from one institution compared with another. Indeed the value of a degree is related to life-term earnings and not just immediate use-value. A student focused higher education institution (HEI) is one that ensures service excellence in those areas of its provision that are direct services e.g. canteens, accommodation, registry, student services and ensures that its academic provision is 'fit for purpose'. By 'fit for purpose' we mean that the qualifications awarded are internationally recognised, that teaching methods enable the students to gain the necessary skills competences and knowledge and there is a commitment to continuous quality enhancement. The Rwandan Higher Education Quality Enhancement Framework is designed to provide guidelines to enable higher education institutions to deliver excellence and its implementation is overseen by the Higher Education Council reporting to the Cabinet through the Ministry of Education. Students and other stakeholders (parents, employers, the Government) can then be assured that the quality and standard of higher education is 'fit –for-purpose'. They can use institutional audit and subject review reports to compare institutions and the findings from graduate tracer surveys to enable them to make decisions about which provider to use. Private students can also take into account the fees charged by different HEIs (value-for-money).

We should note that not only are individuals customers but organisations. Individuals as we



have noted are concerned about the quality of the product, the quality of service delivery, and in the case of services they pay for, value-for-money. Ulaga and Chacour (2001) suggest that the last of these is especially important in business-to-business transactions. They argue that customer-perceived value, the customers assessment of the value that has been created for them by a product or service, given the trade-offs between all the relevant benefits and sacrifices in a specific-use situation, is central to business decisions about which organisation to purchase from. They argue that customer-perceived value is a strategic marketing tool that is of special benefit in the evaluation of service delivery in business- to-business transactions as it enables a company to assess the service it provides in comparison with its main competitors. One of the central aspects that differentiate customer value measurement from customer satisfaction measurement is the comparison of performance measurers across sectors (see Appendix 10).

What Makes for a Satisfied Customer?

A satisfied customer is one whose expectations are met, or exceeded, who experienced good service delivery, who felt they were treated equitably and who thinks that she/he got good value for money. A meta-analysis of research on customer satisfaction (Szymanski and Henard 2001) concludes that the two most important factors influencing customer satisfaction are disconfirmation (they did not get what they expected) and equity (customers are treated equally). The meta-analysis also suggests that there is a positive relationship between overall customer satisfaction and repeat business. This confirms our analysis of what drives customer satisfaction and adds the additional dimension of equity. This suggests that service providers should focus not only (or even mainly) on front-line service delivery (staff behaviour) but on ensuring that they deliver what they promise (and they do not promise what they cannot deliver) and on treating customers equally (or making the basis for unequal treatment clear and justifiable). A bank for example should not publish unrealistic times for how long a decision on a request for a loan will take and if it provides a better level of service for some groups of clients than for others the criteria for inclusion in a group should be made clear. It goes without saying that the services offered should be designed to meet the needs of customers.

It is also important to recognise the difference between needs and wants. These are not the same. Someone whose needs are met may not have gotten what they wanted, and may be dissatisfied with the service delivered as a result. In some cases, however, failure to meet wants can be seen as failure to deliver a quality service. A customer does not need his food to be hot but can reasonably expect a cooked dish to be hot (and a salad to be cold). In other cases what a consumer needs may not be what they want. A part-time student may want to get a degree in the same time as it takes a full-time student, an impossibility. So to ensure that recognised qualification are awarded, regulations are necessary to protect the student for him/herself. Beyond this, customer expectations have to be managed (Africa 2006), providers and governments need to 'educate' customers so that they do not develop unrealistic high (or low) expectations. Also because customers express a high level of satisfaction with a service it does not mean that there is no need to improve service delivery. Customers may express satisfaction after the service has been delivered but analysis may show that the way the service is delivered can be improved.

Conclusion:

Key Steps to Becoming a Customer Focused Service Provider

Levels of customer care in Rwanda are generally poor and are in urgent need of improvement (IPAR 2009). While the Government can provide an enabling and regulatory framework the main requirement is the development of an embedded customer centric value system; a value system that is shared by all Rwandans and is integral to the mission of organisations.

The challenge for business today is to transform from a product orientation to customer focus to customer centric (Figure 5). There are nine steps to becoming a customer centric service provider– steps that require a transformation in the service provider (Figure 6).

Figure 6: The Move from a Customer Focused to Customer-Centric Organisation



Creating a customer focused organisation

There are nine main stages to creating a customer centric service provider (Figure 6). The EFQM (European foundation quality model) and/ or IIP (Investors in People) discussed below can be used as tools to support the transformation of a service provider and to enable a customer centric focus to be maintained.

- **Business imperative and top team clarity**

Customer orientation needs to permeate the organisation's mission, vision, values and key objectives. Senior managers must demonstrate a strong commitment to



being a customer centric organisation. They must be prepared to be managers of change and provide leadership in the face of resistance from employees.

- **Listening posts**

A customer centric service provider measures both internal and external customer satisfaction. It is a learning organisation and it uses feedback from customers and employees to make improvement and drive change.

- **Service Strategy and goals**

To be successful service orientated organisations have to have a clear strategy and a set of specific and measurable goals for service improvement and a commitment to quality enhancement.

- **Customer-driven processes**

The way an service provider does business should match the needs of the customers not its own. It should understand the needs of its customers and the different groups of customers it serves.

- **People development**

Everyone in an service provider from the managing director to the most junior employee can benefit from training and development to enhance their people skills and their attitudes and behaviour towards customers. The quality of leadership in an service provider is often an indicator of its customer orientation.

- **Empowerment**

Giving employees responsibility for decisions affecting their work encourages a custom focus and ongoing improvement.

- **Communication**

It is essential to communicate with staff about customers and about best practices in customer service delivery as an impetus for change.

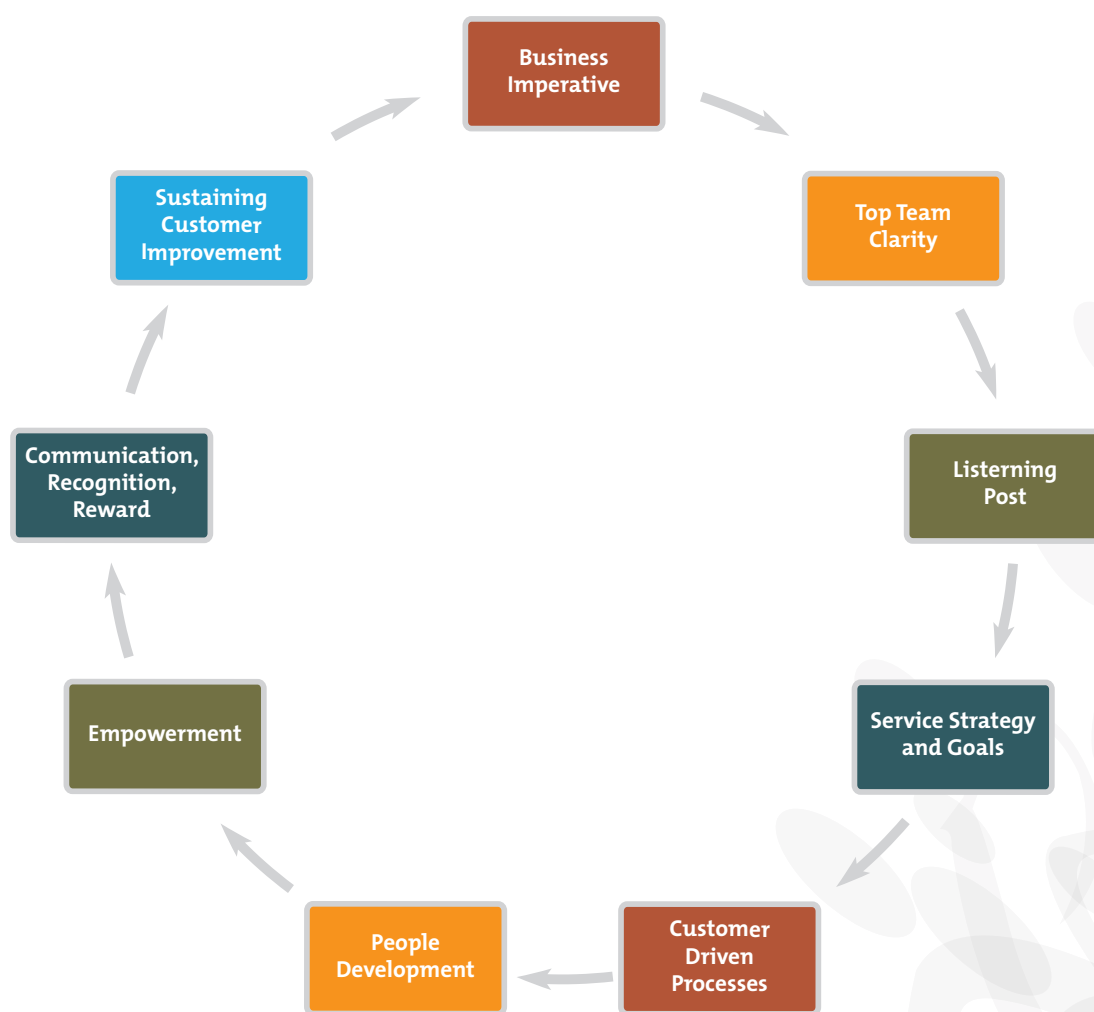
- **Reward and recognition**

Organisations need to create a motivating climate for employees if they want them to deliver excellent customer care. Employees need to feel valued and to be motivated.

- **Sustaining a customer focus**

Service quality initiatives should not be one-off exercises but embedded in the organisation. A commitment to continuous improvement is necessary and performance against targets needs to be regularly measured.

Figure 7: Creating a Customer Centric Organisation





What do we already know and What are we already doing?

Introduction

In this chapter we look at the findings from our previous research on customer care in Rwanda (IPAR 2009) and evaluate the response to the findings of that research. We also consider other research that has shed light on the quality of customer service delivery in Rwanda. We specifically discuss the setting up of the National Steering Committee, under the auspices of the Rwandan Development Board, to drive improvements in customer service delivery, and the actions it has undertaken to date.

Findings from Previous Research in Rwanda.

Poor service delivery is endemic in Rwanda. Two main conclusions can be drawn from the research on customer/consumer service delivery in Rwanda. The first is that while there is some variation between service sectors, customer service is not only generally poor but is also poor compared with other countries in the East African region. Poor customer service is seen as a problem by tourists and by the business sector as well as the general population. The second that there is a general lack of understanding by Rwandans of the level of service delivery they should expect. In other words most Rwandans are prepared to put up with poor service delivery because they know no better. Customers, including Rwandans, who have had experience of service delivery elsewhere are generally much less satisfied with service delivery in Rwanda than those who do not (Doing Business 2009; Financial Sector Business Needs 2009; IPAR 2009).

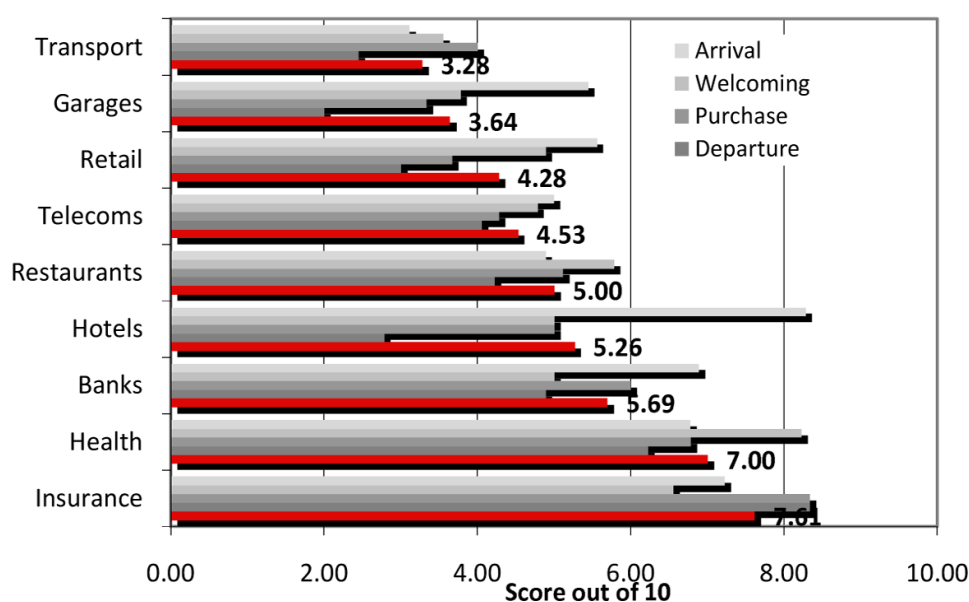
In terms of starting-up and doing business in Rwanda the perception is of poor service delivery by the Government and the public and private sectors. Whilst some aspects are seen as better than others there is room for improvement, and in some areas substantial improvement in the delivery of services relating to starting up a business, constructing premises, registering property, some elements of getting credit, protecting investment, paying taxes, trading across borders, the enforcement of contracts and the closing of a business. As well as the Government (at central and district levels) other service providers include banks, insurance companies and lawyers (Doing Business 2009). There is a need seen to improve customer care and streamline service delivery by reducing the administrative requirements and burden, and to have an enforceable client charters (Twagira 2009).

Commercial enterprises are also concerned about poor service delivery by a number of service providers. Business and other service providers can only deliver excellence if they receive excellent services. Service delivery is generally dependent on delivery by other service providers. Poor service delivery is seen as a major constraint by business in Rwanda. Services that are seen as being especially poor are transport (mentioned by around 80%), financial service (just over 70%), electricity (just over 60%), Government bureaucracy (60% service/70% construction), and telecommunications (66% construction/50% service) (Foster, 2009). Specifically the financial sector has been seen to offer poor service delivery. The financial sector is seen as being slow, to take too long to deal with applications for loans, to take decisions in an arbitrary way, to be open to bribes, to provide inadequate information on services and products available and for there to be long waiting times in banks (Foster 2009; TNS Research Surveys 2009).

In terms of the general public a recent survey of Kigali residents and visitors to Rwanda found that mean levels of satisfaction with service providers varied between 3.3 percent for

transport to 7.6 per cent for insurance (see Figure 7).

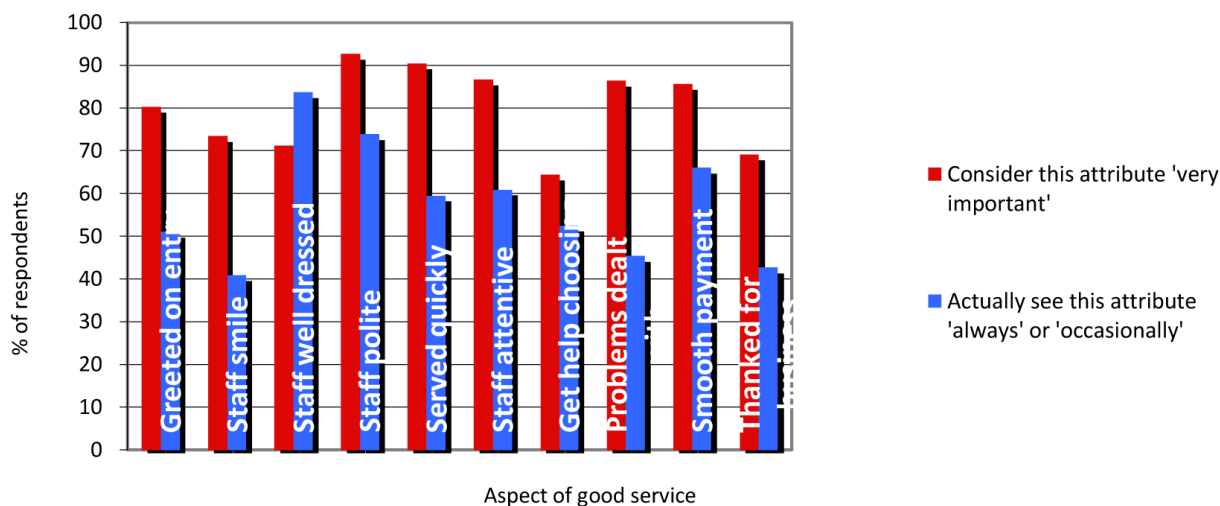
Figure 8: Customer Satisfaction by Sector and Aspect of Performance



(Source: IPAR 2009)

The same survey found that the aspects of service delivery of most concern to customers were managing the purchase and the impression on departure but there was a significant gap between what customers expected and the service they received (see figure 7). The survey also found that about 50 percent of customers complain about service delivery to at least one provider ever month but that only about a quarter of those who complain are satisfied with how their complaint is handled (IPAR 2009). Indeed the biggest gap between expectations and delivery was with having problems dealt with. Just fewer than 90 percent of respondents thought that problems being dealt with were important but only about 55 percent thought that this happened at least occasionally (Figure 8).

Figure 9: Gap between Expectations and Experience of Customer Service



(Source: IPAR 2009)

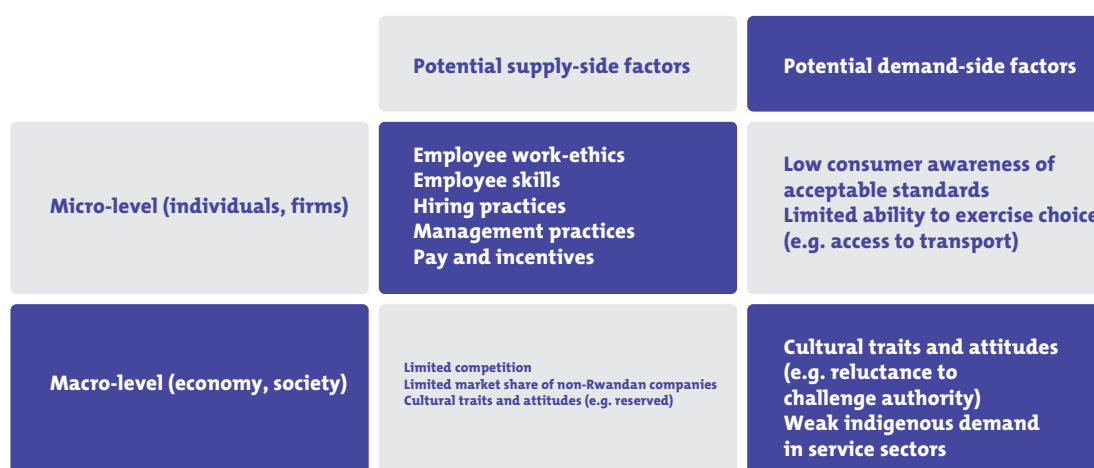
A survey that looked specifically at visitors' experiences, interviewing visitors, industry workers and the general public found that there needed to be significant improvements if visitors were to have a positive experience (OFT Group 2009). It was found that tourist industry professionals and visitors thought that service levels were generally poor. Visitors expressed particular concern about value-for-money, poor customer service, and over-charging was seen as especially problematic. Rwanda was also said to have poor tourist product offerings and indeed the poorest in the region and as we have already indicated what is delivered is as important as how it is delivered. The authors of the report point to the need to segment the visitor experience pointing out that the largest proportion of visitors to Rwanda are here on business. Business visitors are also more likely to be dissatisfied with their experience. They point out that in developing strategies to improve service delivery to visitors it is important to segment the market and target improvements to meet the needs of the different segments. Like us, they recommend that Rwanda should develop a plan to improve the visitor experience innovated from those successfully developed in India and South Africa (see below and appendix 7).

The Rwandan Citizen Report and Score Cards report also suggests that service delivery is poor in the public sector. While levels of reported satisfaction by household heads were generally high in response to the survey they were much lower in the focus groups and suggestions for service delivery improvements were made for all sectors. The levels of satisfaction with public offices, market facilities, access to energy and other infrastructures and water was especially low as was satisfaction with the maintenance of the public infrastructure. There was also a lack of satisfaction with the level of competency of public sector workers including health care workers, school teachers, agricultural extension staff and community volunteers (Ministry of local Government 2009).

The drivers of poor service delivery in Rwanda have not been extensively researched but it has been hypothesised that poor service delivery results from both supply and demand side factors at the micro (firm) and macro (society) levels (Figure 9).

What is evident is that poor service delivery is deeply embedded in Rwanda and pervasive across the economy. Poor service delivery, by the key service providers, transport, energy, financial service, government services and communication, impacts negatively on the ability of other providers to deliver a quality service.

Figure 10: Potential Supply and Demand-side Drivers of Poor Service Delivery



(Source: IPAR 2009)

Development to Improve Customer Service Delivery: What is being done

National Care Technical Team

The Government has recognised that poor service delivery in Rwanda threatens the development of a service led economy and the realisation of Vision 2020. The 2009 Government Retreat agreed a number of actions to be implemented by the Rwanda Development Board:

- Activity 1: Developing skills in customer care;
- Activity 2: Change the mindset towards customer care;

This has resulted in:

- The appointment by the Cabinet of the National Care Technical Team to oversee the implementation of the agreed actions reporting through RDB to the ministry of Trade and industry;
- The development of a Toolkit for training in customer care, with about 4,000 employees in the service sector trained in customer service delivery;
- A media campaign to raise public awareness of the right to expect good service ;



- A survey by OFT Group to measure customer service delivery in the public and private sectors (a survey specifically of the visitor experience)
- Customer retention rates by five percent could increase the value of the average customer by 25 – 100 percent;
- The probability of selling services to a new customer is 1 in 16 compared with a probability of selling to an existing customer of 1:2.2;
- 91 percent of dissatisfied customers will not use the service again;
- The average business loses between 10 and 30 percent of its customers every year;
- For every customer who complains there are 26 others who do not bother;
- While over 95 percent of unhappy customers do not complain to the service provider they typically tell at least 15 other people, while satisfied ones will tell six at most;
- Customers approve of customer satisfaction surveys.
- the commissioning of IPAR-Rwanda to provide policy recommendations for improving customer care, strategies for remediating poor service delivery and for implementing them and to develop a *National Generic Customer Care Toolkit* (this report). (Appendix 5 for a summary of the end of year report)

Whilst some progress has clearly been made little has apparently been done to progress a number of activities in the action plan. The end of year progress report makes no reference to the development of relevant curricula in secondary schools and higher education institutions or the development of vocational qualifications and of a National Vocational Qualifications Framework. It also makes no reference to any progress for the proposals to incentivise the private sector to invest in staff training. Nor is any progress reported with respect to the proposal for a National Customer Care Service Awards scheme.

We would like to raise a number of concerns about the action plan in general and the activities that have taken place to date.

- The focus has been placed on dealing with the symptoms rather than the underlying causes of poor service delivery. It is important to train service providers in how to deal with customers but attention also needs to be paid to improving what is delivered and most importantly of all to transforming organisations so they become customer centric;
- With specific reference to the tourism the Developing Tourism Master Plan and the strategies to improve customer service delivery need to be coordinated. It is evident from the research that main factors inhibiting the growth in tourist numbers is the lack of things for tourists to do. Rwanda is seen as offering poorer attractions for tourists than neighbouring countries and being more expensive. Together this means that overall it is seen to provide poor value for money. There is also little for tourists to do – no cinema, theatre, shopping opportunities, cultural displays and so on. Information on what is available is not readily available; there are no leaflets and guides at the airport or in hotels, for example.
- No attempt has apparently been made to identify and bring together a range of Government initiatives that are broadly concerned with improving customer service. We have not set out to identify these but ones we are aware of are the joined-up-government initiative, e-government, the Tourism Master Plan, the Council for Higher Education, and



the Rwandan Citizen Report and Score Cards (although in the case of the last of these we are not certain how much use of the findings is made to inform improving services).

- In terms of the school and higher education curricula we are concerned at a lack of specification as to what is being proposed. Introducing topics/subjects into the school and higher education curriculum need to be carefully thought through. There has to be an educational purpose, it has to be developed and delivered so that it is part of the examined curriculum. In general we would argue that where service delivery is relevant to the subject(s) being studied then it should be included in the curriculum. Where it is not young people should have their awareness of service delivery raised through the national awareness raising campaigns.
- We are concerned about the content of the training that has been delivered and the Toolkit developed to support it. Careful thought need to be given as to who should be trained and what training they should receive. As far as we can tell the training is directed at raising awareness about face-to-face service delivery to customers. The value of delivering this to large numbers of senior staff is questionable although it will undoubtedly raise awareness. We also have doubts about the Toolkit commissioned to accompany the training. It is very well written but is unlikely to engage front-of – house workers. It is densely written and requires a high standard of literacy, higher than many workers will have in the service sector. Also those reading the book are unlikely to identify with the message as the people pictured in the booklet are clearly not Rwandan.
- We are also concerned about how far the awareness raising message has penetrated. No one we spoke to in our case study research mentioned it and this was in interviews and focus groups where we were specifically asking about customer service delivery and customer care. Clearly the problem has been recognised and the urgency of dealing with it recognised. The challenge is to build on what has been done so that Rwanda delivers world class services. We have identified the main challenges in terms of organisational development and institutions becoming customer centric. In the next section we look at examples of policies and practices that have been developed to improve customer service delivery in other countries. We have selected a small number to provide illustrations of what it is possible for governments to do to raise standards of customer care delivery.

Clearly the problem has been recognised and the urgency of dealing with it recognised. The challenge is to build on what has been done so that Rwanda delivers world class services. We have identified the main challenges in terms of organisational development and institutions becoming customer centric. In the next section we look at examples of policies and practices that have been developed to improve customer service delivery in other countries. We have selected a small number to provide illustrations of what it is possible for governments to do to raise standards of customer care delivery.



What Can We Learn from Elsewhere?

Innovating Success

introduction

The drive to improve customer service delivery – the customer experience- is global. We can learn much for what has worked elsewhere. We can take Toolkits, training manuals and other materials developed in other countries and innovate to meet our specific needs.

Generic Tools for Implementing a Customer Care Strategy

Examples of customer (citizen charters), customer satisfaction surveys (and Toolkits for how to conduct them), customer complaints procedures, and manuals for training front-line staff in service delivery are widely available. A search on the internet using a search engine such as google will uncover a wide range of these and they can be adapted to meet the needs of any given organisation. There are also consultancy firms that will carry out customer satisfaction surveys and /or provide training in customer care for employees. (See Appendix 10 for an exemplar Toolkit).

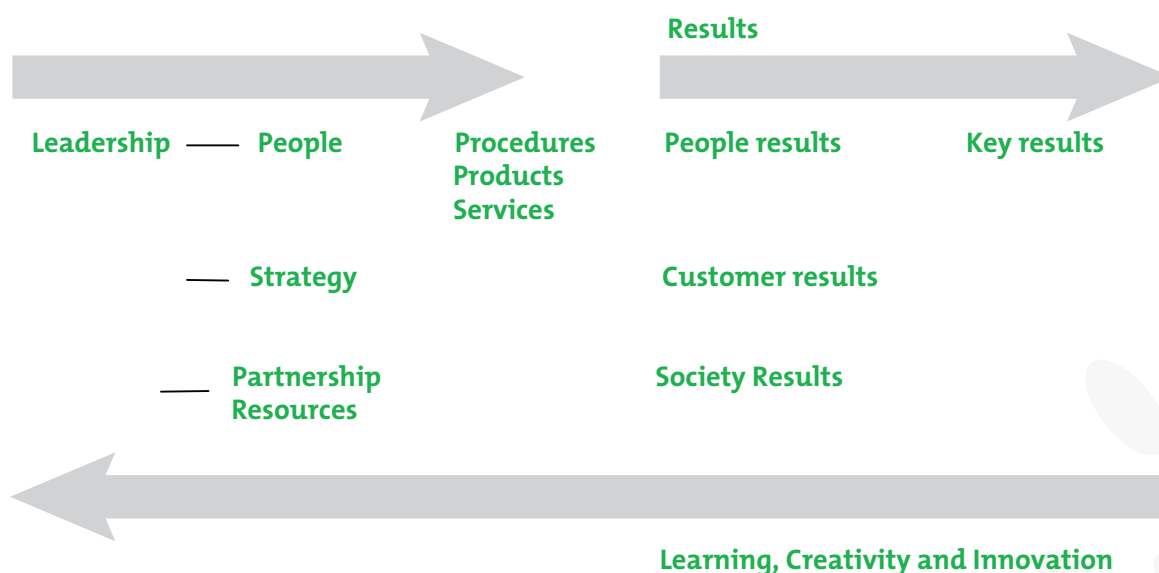
European Foundation for Quality Model

The European foundation for quality model of organisational excellence can be used to help develop a service strategy and measure progress. It provides a framework for critically examining an organisation's methods and performance. The European Foundation for Quality works with member organisations (including public and private, small and large) to support them in implementing their strategies.

One tool they have developed is the Business Excellence Matrix (BEM) as a simple self assessment tool that can support a service provider as it strives towards excellence. Given that one of the core strategic aims of a service provider is to provide excellent service delivery, the BEM provides a simple tool available on the internet that organisations can use to support them in identifying their key strengths and key improvement areas. The EFQM was developed in 1990 to provide a framework for organisations to use to determine the effectiveness of their strategy for development and the implementation of it. It can be applied by any organisation regardless of size or sector. The EFQM Excellence Model is made up of three parts:

- The fundamental concept of excellence. There are eight concepts of excellence which underpin the model (achieving balanced results; adding value for customers; leading with vision, inspiration and integrity, managing by process; succeeding through people; nurturing, creativity and innovation, building partnerships; taking responsibility for a sustainable future)
- The nine criteria which are evaluated for excellence (Figure 11);
- Radar, the tool used to assess and score during the assessment process.

Figure 11: Nine EFQM Criteria



The nine criteria are divided into the five ‘enablers’ and the four ‘results’. The enablers are the things that are done within an organisation: strategies, policies, and processes and the people who are involved in doing them, both within and outside the organisation. The outcome measurers show how an organisation is performing in relation to the strategies, targets and objectives it has set. If an organisation wants to improve its outcomes (results) it needs to make changes to the enablers, strategies, policies, and processes and the people who are involved in doing them, both within and outside the organisation. The outcome measures show how an organisation is performing in relations to the strategies, targets and objectives it has set. If an organisation wants to improve its outcomes (results) it needs to make changes to the enablers. The outcome of an EFQM self- assessment should be a set of agreed key improvement areas and an improvement plan to implement the necessary changes. The self-assessment, and the improvement plans, should be reviewed annually as part of the annual planning process

Investors in People

Investors in People (IIP) is a business improvement tool that helps organisations transform their business. It is built on the premise that people (employees) make a difference and it can be used by organisations from any sector and of any size (www.investorsinpeople.org). A free interactive business development tool for self-assessment is available on the organisations web site. In the UK many organisations, from the public, private and voluntary sectors, have been assessed and gained the *Investors in People Award*. Although it was developed in the UK it is now used by organisations in countries across the world. In South Africa, as part of the Batho Pele Programmes (see below), all government departments are required by Law (Skills Development Levies Act) to spend two percent of their budget on staff development



and work towards IIP accreditation (Department of Labour 2006).

IIP focuses on improving service delivery through staff development. It requires a commitment by an organisation to developing its people and involves four main steps, commitment, planning, action and evaluation. The benefits of IIP are: improved profitability; sustained external customer satisfaction; improved productivity and better performance; improved staff morale; attracting talented workers, and; creating a culture of quality work performance and a more conducive work environment. The IIP tool is designed to be flexible and support organisations in achieving the outcomes they set for themselves. It supports a planned approach to setting and communicating business objectives and developing people to deliver them. It is based on five key management practices:

- Strategic planning;
- Effective management;
- Developing people;
- Culture and communication;
- Managing performance.

It is underpinned by three principals:

- Plan – developing strategies to improve performance;
- Do- implementing these strategies;
- Review- evaluating adjusting these strategies.

Ten indicators are used to measure/evaluate the performance of an organisation:

- Business strategy;
- Learning and development strategy;
- People management strategy;
- Leadership and management strategy;
- Management effectiveness;
- Recognition and reward;
- Involvement and empowerment;
- Learning and development;
- Performance management;
- Continuous improvement.



Lean Six Sigma

Lean Six Sigma is another management tool that can be used to transform a service provider so that it becomes customer centric (Maleyeff 2007). The aim of a Lean Six Sigma programme is to improve service and deliver it as effectively and efficiently as possible. It involves an emphasis on customer satisfaction, a culture of continuous improvement, the search for root causes, and employee involvement. It seeks to maximise value to customers, external and internal, while simultaneously removing wasteful activities and practices. Service organisations using this approach would:

- Maintain an understanding of both internal and external customers' needs;
- Seek to maximise the value -added component of all processes;
- Consistently evaluate employee incentives;
- Look at savings beyond those that are strictly quantifiable;
- Stress data driven decisions based on evidence;
- Devote resources to solving problems that present significant challenges to business success;
- Implement a consistent, highly structured project-based improvement regime.



Government Services

South Africa

The South African Government has a legislative framework to transform public service delivery so that citizens are placed at the centre of service delivery. The Government requires that the public sector has service standards, with defined outputs and targets that are benchmarked against international standards. Monitoring and evaluation is a requirement and services have to be organised and delivered so that they meet the needs of citizens. The Government has also ensured that all South Africans are made aware of the services they are entitled to and the quality of service delivery they should expect.

The Municipal Systems Act (No 32 of 2000, Section 6 (2) (a), (d), (e), (f)) (Government of South Africa) sets out the administrative duties of local authorities making clear that they must be responsive to the needs of the local community, give members of the local community full and accurate information about the level and standard of services they are entitled to receive and inform the local community about how the local administration is managed, the costs involved and the persons in charge. The same Act (section 51) requires that a local administration facilitate a culture of public service and accountability amongst its staff and maximize efficiency of communication within the administration. Benseler (2006) argues that South African local administrations can meet the legal requirements by having a Citizens (Customer) Charter and a strategy and policy in order to internalise customer relations management into the everyday functioning of a local authority. (Appendix 9 provides examples of customer charters).

A programme to improve service delivery in public services, Batho Pele (People first) was introduced in 2004 and it aims to: make a better life for South Africans by putting people first and together beating the drum for service delivery (Figure 12). (www.dpsa.gov.za/batho-pele). The aim is to create a citizen centred public service that puts people at the centre of planning and service delivery, improves service delivery by fostering new attitudes amongst civil servants and improve the image of Public Service. The Government has made a specific commitment to improve services for all:

Public service delivery improvement continues to be a challenge that requires the commitment of all public servants to work towards, not only meeting government's objectives, but also satisfying the aspirations of all members of the public for access to quality services and a better life for all. Nothing should justify our failure to respond to these expectations, as they are legitimate and noble. For this to happen, even within the context of limited resources at the disposal of government, everyone serving in the public service, needs to do so with a high degree of commitment and a sense of duty. In this I am not asking public servants to do something different from their normal work, but to do their normal work differently through living the Batho Pele principles and the new belief of 'We belong, We care, We serve' (Geraldine Fraser-Moleketi, WWW,dpsa.gov.za/batho-pele/index.asp).

The programme has been accompanied by a 'Know Your Service Rights' campaign administered by the Department of Public Service and administration. Simple guides have been prepared in the main languages to make people aware of their rights and to empower citizens and enhance government accountability.

Figure 12: Batho Pele Poster



(source: www.dpsa.gov.za/batho-pele)

The guidelines for building a positive, inclusive and effective customer service are based on the Batho Pele principals and are:

- **Consultation:** citizens should be consulted about the level and quality of public services they receive, and, where possible, should be given a choice about the services they receive;
- **Service Standards:** citizens should know what standard of service to expect



- **Access:** all citizens should have equal access to services to which they are entitled;
- **Courtesy:** all citizens should be treated with courtesy and consideration;
- **Information:** citizens should be entitled to be given full and accurate information about the public services they are entitled to;
- **Openness and transparency:** citizens should know how departments are run, how resources are spent and who is in charge of particular services;
- **Redress:** if the promised standard of service is not delivered, citizens should be offered an apology, a full explanation and a speedy and effective remedy; and when complaints are made citizens should receive a sympathetic, positive response;
- **Value-for-money:** public services should be provided economically and efficiently in order to give citizens the best possible value for money.

There are eight flagship programmes that make up Batho Pele (Figure 13) Figure 13: Batho Pele Flagship Programmes

Figure 13: Batho Pele Flagship Programmes



Service Delivery Watch involves unannounced site visits by senior national and local politicians and officials. A template has been developed for capturing the observations during a site visit. Information from site visits is collated and used to provide recommendations on how service delivery can be improved.

Public Service Week is a time when senior and middle managers are expected to deliver front-line services. This enables managers to gain a better understanding of problem areas and challenges experienced by front-line workers. The intelligence gained can be used to inform policy and strategy innovations.

Africa Public Service day was a day when a debate was held among government leaders, academics, public servants, students and the public at large to discuss how public services could be improved.

Project Khaedy is the training of managers to equip them to participate in African Service Week. Participation is a requirement of their performance agreements and one of their key performance indicators. Managers attend training and are then supervised when working at the 'coalface'. The training includes how to identify problems, analyse them and come up with resolutions. Training includes process design, organisational effectiveness, people management, budgets and control and communicating for results

Know your service rights campaign was designed to promote awareness on the rights citizens have with regard to levels of service delivery and to educate them on the action to take when delivery falls short of what it should be. The empowerment of citizens also exerts positive pressure on service providers to be service-centric.

The change management engagement programme addresses cultural issues and is concerned with engendering appropriate behaviours and attitudes among public servants.

The Batho Pele learning network coordinating forums is a method for the sharing of experiences gained in the implementation of Batho Pele

Service delivery improvements plans are a legal requirement and departments are required to publish their service standards in an annual Statement of Public Service Commitment or Service Charter. They have to be subjected to an annual review. They have to be benchmarked against international standards and it is expected that standards will be progressively raised. Service delivery has to be viewed from the customers perspective and must generally conform to measurable criteria of quantity (adequate to meet needs), quality (will last for a reasonable time), time (rendered so customers can derive maximum benefit), value for money (cost balanced against benefit derived), access (delivered so customers can use them

without incurring undue cost), equity (provided without discrimination).

The United Kingdom

In the UK the Government has adopted a Transforming Government strategy as part of a drive to improve service delivery:

The Government wants public services for all that are efficient, effective, excellent, equitable and empowering – with the citizen always and everywhere at the heart of public service provision (Office of public Information 2008).

A cross-government Service Transformation Agreement was introduced in 2007 requiring all government departments and agencies and local government to show how they are improving the customers' experience of their services. The Cabinet Office runs the Customer Insight Forum that meets regularly. The Forum forms a network of heads of insight from central government who work together to establish a culture that is willing to act on insight from customer (citizen) feedback. The Government has provided support for 'service owners' within government including:

- *Promoting Customer Satisfaction: Guidance on improving the Customer Experience in the Public Services* (HM Government, BMRB Social Research and Henley Centre HeadlightVision2007 www.cse.cabinetoffice.gov.uk/UserFiles/File/Cabir) provides guidance on how service providers should use customer satisfaction strategically;



- *How to Measure Customer Satisfaction: A Toolkit for Improving Customer Experience in Public Services* (HM Government, BMRB Social Research and Henley Centre HeadlightVision 2007)
- *Customer Journey Mapping: A Guide for Practitioners* (HM Government nd www.cabinetoffice.gov.uk/media/123979/journey_mapping1.pdf) provides guidance on understanding and measuring the experience of using a service (Cabinet Office 2008).
- *Customer Service Excellence: The Government Standard* (Office of Public Sector Information 2008 www.cse.cabinetoffice.gov.uk) provides details of the criteria of the Customer Excellence standard that public authorities in the UK are expected to achieve. There is also a self-assessment tool kit available on the web site. Any organisation (public, voluntary or private sector) can apply to be formally assessed for the Customer Service Excellence standard (Appendix 10). ccas.min-finance.pt/documentacao/how-measure-customer-satisfaction) provides guidance on measuring customer satisfaction;

Airline Passenger Compensation Scheme

The European Parliament has passed regulations that lay down the compensation that must be offered to airline passengers travelling on flights in Europe and between Europe and other destinations. Passengers must be compensated if flights are delayed or they are refused boarding because the flight has been overbooked. The amount of compensation depends on the delay but includes the costs of meals and necessary hotel accommodation.

Tourism Activation Plans: South Africa and India

In recognition of the importance to the economy of tourism a number of countries have developed policies and activation plans to improve service delivery in those organisations that provide services for tourists. Two of the countries that have developed such policies are India and South Africa (Appendix 7 provides an example of how the Welcome South Africa Activation Plan could be adapted for Rwanda). However, in drawing on the plans developed in these countries it is important to keep in mind that they have more developed and established tourist industries than Rwanda. The Government of India first formulated a tourism policy in 1982, but it

remained a statement of intent and a strategy for implementation was never developed. This was followed by *the National Action Plan for Tourism* in 1992 which was implemented between 1992 and 1997 (Purkayastha 2007). However, the Government of India recognised that it needed to develop an integrated marketing and customer service delivery campaign if it was to increase the number of tourists visiting India and make it one of the top 10 tourist destinations in the world. In 2002 the Government launched the *Incredible India* as an integrated marketing campaign to attract more tourists to India. The government also recognised the need to improve service delivery, recognising that poor connectivity, high taxes, visa problems, unsanitary conditions and the shortage of affordable, good quality accommodation as well as the actual way visitors were treated all had an impact on tourist numbers.

In 2005 as part of the *Incredible India* campaign the Guest is God social awareness raising programme was introduced aimed at improving the way in which service providers and the Indian public treated visitors. It was a nationwide campaign aimed at sensitizing Indians



to the rich cultural heritage of India and the importance of its preservation and cleanliness for the tourist industry as well as the importance of being hospitable to guests. The key components of the programme were:

- Sensitization – raise the awareness of service providers about how they could contribute to the growth of the tourism industry and how they would benefit from the growth;
- Training and induction – explain to service providers the needs and expectations of tourists and how they should respond and be have in order to satisfy these needs and expectations;
- Motivation – motivate service providers to participate in the programme e.g. by having awards for the best service provider in each service sector/segment;
- Certification – awarding certificates to employees who successfully completed training;
- Feedback – getting feedback from tourists on the service they have received;
- General awareness – a mass media campaign to raise general awareness amongst Indians of the need for and benefits of the Guest is God programme;
- Transfer ownership of the programme to service providers as well as the society as a whole.

The number of tourists visiting Indian increased following the introduction of the programme but it is not possible to determine if the campaign was in any way responsible for this. Experts think that the improving the way tourists are treated is important but so too is improving the infrastructure at important tourist destinations and India is putting more emphasis on this (Purkayastha 2007).

South Africa has developed a policy and activation plan to support the improvement of service delivery in the sectors that serve the tourist industry. Their approach is based on encouraging all South Africans to welcome visitors and a three year plan to build the capacity of the relevant service providers to deliver excellence. The Welcome Campaign aims to educate South African consumers as well as service providers on service excellence. A key element of the campaign is re-branding – adopting a new image. It uses an approach of support and encouragement, including providing high quality publicity materials and training for public sector providers and the private sector (at a cost) and running a high profile competition for the best service providers (Appendix 7 provides an example of how the South Africa policy could be adapted for Rwanda).

Hotel Quality Assessment Scheme

Visit Britain operates a scheme for grading the quality of hotels. Hotels and guest accommodation providers can apply for their establishment to be graded through the quality assessment scheme. For visitors the grading of accommodation enables them to be assured of quality and standard and to make judgements about value for money. For providers it provides a valuable marketing tool and enables them to have the quality of their accommodation externally assessed (www.visitbritain.co.uk; www.qualitytourism.com/asp/letsgetassessed.asp). There is rigorous assessment process leading to a reliable and impartial judgements. After the initial inspection re-inspection takes place annually. Accommodation is judged on all aspects but with special emphasis on the standard of cleanliness, ambience, hospitality, service and food.



There are five levels; one to five stars, with the more stars the higher the level of quality;

- * **Simple, comfortable, no frills**
- ** **Well presented and well run**
- *** **Good level of quality and comfort**
- **** **Excellent standard throughout**
- ***** **Exceptional with a degree of luxury.**

Visit Britain also has an awards scheme to recognise high achievement. Hotels and guest accommodation that provides exceptional quality in all areas can be awarded a Silver or Gold Award. A Silver Award requires that an establishment provides high levels of quality, comfort and cleanliness in bedrooms and bathrooms with good levels of customer care and food provision. A Gold Award is given to establishments with very high levels of quality, exceptional levels of comfort, quality and cleanliness in bedrooms and bathrooms and outstanding levels of customer care and food provision.

A National Customer Satisfaction Index

An overall measure of consumer satisfaction gives an easily understood indicator of average consumer satisfaction, the basis for a key performance indicator for measuring change over time and comparison with other countries that use the same index.. A measure can be an overall country average, an average for a combined range of sectors/industries, for sectors/inductors separately, for regions and for individual firms. In the United States the National Quality Research Centre at the University of Michigan, Ann Arbor, Michigan, produces the American Customer Satisfaction Index (Fornell et al 1996; Fornell 2007). It is modelled on the Swedish Customer Satisfaction Barometer and was first carried out in 1994. It has been adopted in a number of countries including Great Britain, China, Turkey, Singapore, Mexico and Columbia. The index has proved to be predictive of growth in GDP and consumer spending. The Index is an economic indicator that measures the satisfaction of consumers across the US economy on an annual basis. A representative sample of Americans are asked about their satisfaction with the goods and services they have received. Respondents are selected so that a wide range of business-to- consumer products and services are included covering the public as well as the private sector. A customer satisfaction index score is computed for each measured organisation, which is the weighted average of the scores on three proxy satisfaction questions (Figure 12). A weighted average is also computed annually for each industry economic sector and the country as a whole. The findings are widely reported in the media.

Figure 14: ACSI Question

Manifest Variable	1	10
Overall satisfaction	Very dissatisfied	Very satisfied
Expectancy Expectancy disconfirmation	Falls short of your expectation	Exceeds your expectation
Performance v the ideal	Not very close to the ideal	Very close to the ideal

$$((\text{Satisfaction} - 1) \cdot .3885 + (\text{expectancy} - 1) \cdot .3190 + (\text{Performance} - 1) \cdot .2925 / 9 \cdot 100)$$

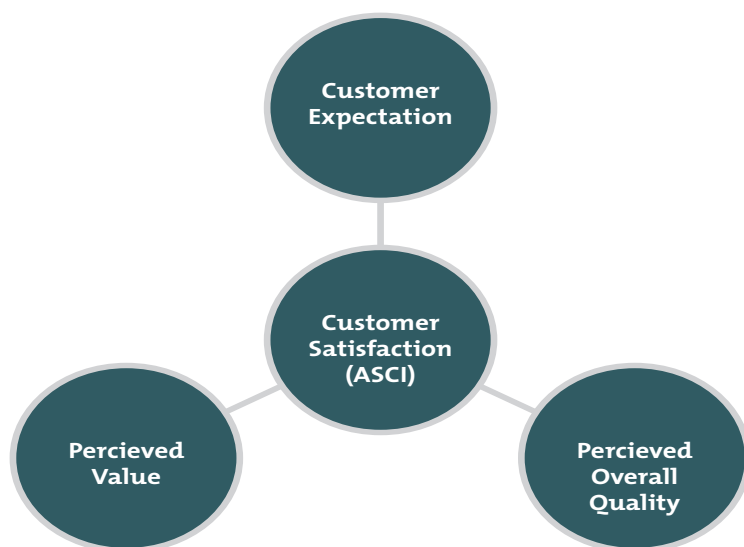
The ACSI is produced for 12 Sectors and an overall national score is produced. For some sectors sub-scores are produced for different industries. Scores for each of the three questions separately are also produced as well as the overall score (Figure 15).

Figure 15: ACSI Sector and industries (United States of America)

ACSI Overall Score	
Utilities (Energy utilities)	E-business (Internet News and information, Internet Portale and Search Engine)
Transport and Warehousing (Airlines, Postal Service, Express Delivery)	Information (Newspapers, Motion Pictures, Network/ Cable TV News, Computer Software, Cable& Satellite TV, fixed Linr Telephone Services, Mobile Telephone Services)
Manufacturing/nondurable Goods (Food Manufacturing, Pet Food, Athletic Shoes, Personal Care & Cleaning products, Soft Drinks, Breweries, Cigarettes, Apparel)	Public administration/Government (Local Government, Federal Government)
Health Care and Social Assistance (Hospitals, Ambulatory Care)	Retailed Trade (Supermarkets, Gasoline Stations, Department and discount Stores, Speciality Retail Stores, Health and Personal Care Stores)
Accommodation and food services (Hotels, Full-service Restaurants, Limited Service Restaurants)	Finance and Insurance (Banks, Credit Unions, Health Insurance, Life insurance, Property & Casualty insurance)
Manufacturing/Durable Goods (Personal Computers, Electronics, Major appliances, Automobiles & Light Vehicles, Cell Phones)	E-Commerce (Internet Retail, Internet Brokerage, Internet Travel)

The ACSI Score is just one of five multi-item scales that make up the American Customer Satisfaction index. Each multi-item represents a different aspect of customer attitudes: customer Expectations, Perceived Overall Quality, Perceived Value, Customer Satisfaction and Customer Loyalty (Customer Complaints is based on a single question)

Figure 16: The American Customer Satisfaction Index



Customer Service Delivery in the Financial Sector: A Case Study

Customer Service Delivery in the Financial sector: A case Study

Introduction

In this chapter we report on a critical case study we undertook to research the drivers of service delivery in the financial services sector in Rwanda (see IPAR *et al* 2010 for a more detailed report and policy recommendations specific to the financial sector) (Appendix 2 lists the main providers of financial services in Rwanda). The aim was to gain a greater understanding of the drivers of service delivery in Rwanda to support the development of policy recommendations for improving quality and standards. Previous research had suggested that the finance services sector provides a comparatively good level of customer service delivery in Rwanda (IPAR 2009), and it is one of the key sectors supporting social and economic development.

The research was carried out in November and December 2009 in Kigali the capital city and financial centre in Rwanda. The head offices of the main financial institutions are located in, and the majority of banked people in the country live in, Kigali. We did a cost benefit analysis of conducting the research in Kigali only versus conducting outside Kigali. From our analysis, we decided to concentrate in Kigali as it is the capital city and main financial centre. If customer service does not work in Kigali then it would not work in the other provinces. The research was carried out in the three districts in Kigali. (Nyarugenge, Kicukiro and Gasabo).

Methods

We used a range of methods including, interviews, focus groups and observation/ participant observation. We used qualitative methods because we wanted to get an in-depth understanding of the views of service providers, key informants and customers views of the quality of service provided by financial institutions in the country. Observation/ participant observation enabled us to observe and experience the ways customers are handled. Service providers were also asked to provide copies of any policies, practices and procedures they have in place to assure the quality and standard of customer service delivery and details of any training they provide for employees in customer care.

We developed agendas for the interviews and focus groups (Appendix 4). The agendas were developed in English and translated into Kinyarwanda and finally checked by being back-translated into English. Interviews and focus groups were conducted in English or Kinyarwanda depending on the preference of the informant(s). The key informant and manager interviews were carried out by an IPAR-Rwanda researcher and the employee and customer focus groups and observation and participant observation by research assistants trained by us at a three day workshop and working under the supervision of an IPAR researcher (for more detailed information on the research methods used see IPAR *et al* 2010).

All interviews and focus groups were recorded and transcribed. The transcripts for interviews/ focus groups conducted in Kinyarwanda were translated into English. The observation schedules were written in English. The transcripts were analysed using Framework (Ritchie and Spence 1993). This is an approach specifically developed for applied or policy relevant qualitative research in which the objectives of the research are set in advanced and shaped by the information required to address a policy issue. The key themes for the analysis were agreed by the team at a one day workshop. The IPAR-Rwanda research assistants then developed charts summarising the key information for each category of respondents (IPAR *et al* 2010).



The research used theoretical sampling both in terms of sites where the research was conducted and those asked to participate in the research. We used theoretical sampling to ensure that we included representatives of the key groups that could provide informed information on the standard and quality of the delivery of financial services in Rwanda (Appendix 2). Those sampled to participate in the research included key stakeholders/ informants (from both financial and non financial sectors), users of financial services, managers of institutions providing financial services and employees of the commercial banks. The users were sampled through Umuganda. In total our sample included:

- 35 Key Informants/Stakeholders (from the financial and non financial sectors) including heads of corporations, audit firms, government bodies such as Rwanda Revenue, and international corporations working in Rwanda (Appendix 3);
- Managers of key financial institutions, including banks, microfinance institutions and insurance brokers. A total of 30 managers were interviewed; including two heads of insurance brokers, eight heads of microfinance institutions and twenty branch managers of banks,
- Focus groups with bank employees, one in each of 19 branches covering 7 commercial banks. The majority of the employees who participated in focus groups were in their early 20s;
- 8 user focus groups held during Umuganda in the 3 districts (Nyarugenge, Kicukiro and Gasabo). Respondents were in their mid -twenties to early sixties and included doctors, farmers, civil servants, students, business men and women, farmers, employees of insurance companies, NGO workers, drivers, mechanics and employees of security organs among others;
- Observation and participant observation of service delivery in banks, Western Union branches and foreign exchange bureaus.

(For more detailed information on the sample see IPAR 2010).

All respondents and informants give verbal informed consent and were informed that no individuals would be named in published reports and that the reports would be written in such a way as to protect the identities of informants and respondents. They were also informed that no organisation would be named in published report without their specific permission but that in that some cases (e.g. monopoly providers) it might not be possible to write reports so organisations cannot be identified;. All observation// participant observation took place in public spaces.

Findings

Over all Evaluation of service delivery

There was a general consensus that financial sector offers poor service delivery in Rwanda compared to other countries in the region. The culture of customer care in Rwanda was said, by the key informants for example, to be very substandard because, it was argued Rwandans, have not yet embraced a culture of customer retention as is found in the developed world. Although some customers thought that service delivery had been improving others felt it



remained very poor and was in need of considerable improvement. Both affluent and less affluent users reported that good service delivery was important to them but indicated that service delivery in Rwanda is generally poor and slow, although it is good in a few institutions especially those that provide clear information for customers. Customers of banks highlighted incomplete information on the procedures and operations of the financial institutions to guide clients, poorly motivated employees whose frustrations/aggression are transferred to clients in the form of rudeness and inattentiveness. Persistent breakdown of internet, few staff on front desks and language problems were all said to affect service delivery.

In terms of service delivery in banks those using corporate banking and VIP (high class business people) services experienced good service delivery because they are allocated focal point managers who attend to their needs. However, all users reported dissatisfaction with the lack of orientation for customers in banks as well as the lack of clear information on the criteria for getting a loan and the procedures for applying for one. A majority of the informants were dissatisfied with the service provided by insurance companies indicating that the companies make it very difficult for clients to make a claim. Micro-finance institutions, most frequently used by less affluent people and especially women, were said to offer poor services because of nepotism, lack of clear communication about interest rates and bank charges, and the granting of loans to a group rather than to individuals with all members of the group being jointly and individually responsible for the repayment of the loan. Foreign exchange bureaus were reported as providing a good service although they were not always able to change money into currencies they advertised as available. Our observation confirmed that the level of service provided by foreign exchange bureaus is generally good but that the majority cannot change Rwandan francs into foreign currencies other than the US\$, although they display exchange rates for a number of major international currencies.

All managers acknowledge that good customer care delivery is important and beneficial to their institutions: it enhances the credibility of an institution; a satisfied customer will buy again and will encourage others to use the service; it is a sure way of maintaining clients, and; no customer no business. Some said that they train and encourage their staff to be nice to clients by welcoming them, greeting them, satisfying them and so on, but as one of them said: *there're no guarantees that front office staff behave the same way*. However, they also recognised that customer care in Rwanda is still very poor compared to other countries like Kenya, Uganda, Tanzania and South Africa. As one manager explained: *Rwandans still have much to learn from other countries*.

Employees were also aware that customer service is poorer in Rwanda than in neighbouring countries. An employee told us, for example, *compared to neighbouring countries, service delivery is still at a low level because in other countries, customers are well attended to whereas in Rwanda smiling at customers is very rare, even though Rwandans are gifted with good smiles*. They were also very knowledgeable about good customer service delivery saying for example we *take care of our customers, because if we do not do so, they would not be back*. They are aware that delivering a good service is about effectiveness and efficiency and said that they have been trained in how to deliver a good level of customer care. However, the attitude of employees to customers is generally poor with few having a positive attitude.

Our observation/participant observation confirmed that levels of customer service are not always adequate in financial institutions. We found only one instance of a bank having staff



greet customers on arrival and direct them to the appropriate service. Other banks did have service desks but these were not always clearly signed, although signs indicating different services were generally visible.

Waiting times to be served varied between banks, in some it was acceptable but in others waiting times were unacceptably long this was due both to an inadequate number of tellers and slow service. We found that service delivery was generally slow in banks, tellers were slow in counting money and many lacked basic computing skills. The computer systems in many banks were slow and we observed instances when the system broke down. We also noted that many customers were waiting to have personal cheques cashed rather than use the ATM machines suggesting that banks are not encouraging the use of this service which would save waiting times for all customers. In some banks inexperienced tellers were being trained on-the-job and this increased the time it took for customers to be served. We did, however, find that staff were generally polite and appropriately dressed.

Policies, Practices and Procedures

The research found that few financial institutions have formal policies, practices and procedures in place on service delivery. Some of the banks provided boxes for customers to provide feedback and have an employee in charge of customer care but little evidence that they make use of the feedback. Managers said clients can complain to any member of staff, and that customer services officers are charged with handling customers' complaints. However, it is clear that banks do not have standard procedures and none of the banks provide written information on how a customer can make a complaint. Consumers reported switching banks in case of dissatisfaction with service delivery. As one informant in a focus group put it: *When customers are dissatisfied with service delivery, they have no one to complain to because the one to be blamed cannot be the judge. In case of dissatisfaction with the service in a given bank you just quit and join another bank.*

Training of employees in customer care and rewarding staff

Most key informants reported a general problem of a skills gap in the financial sector in Rwanda compared to other countries and the manager agreed that training should be a priority. Some managers also indicated that staff recruitment procedures need to be in place so that appropriate staff were recruited to work in financial institutions and that promotion criteria should include competency in customer care.

However, we found that most financial institutions do not have a budget for training employees in customer care and only about 20 percent train staff in customer care with most focusing training on the technical aspects of the job as part of the initial induction. We found no evidence of ongoing training in customer care/service delivery or appraisals systems that reviewed staff for the levels of customer care they deliver. However, a majority of the employees said that they had been trained in customer service delivery and had learnt a lot from the training. However, they also thought that they needed more and that their branch managers need to be trained in customer service.

Although most managers say banks reward individual staff, departments and branches that outshine others in performance, the rewarding is not specifically about customer care service. It is only customer care department or public relations department or sales and marketing department staff that benefit from rewards related to providing good customer care service to individual and corporate clients. Some bank managers, insurance broker managers and MFIs managers confessed they do not reward staff for providing good customer care but are positive about the idea and hope to start doing so in future. Employees also thought that staff should be rewarded for delivering better customer service.

Understanding of good and poor service delivery

The key informants defined good service as recognition of clients, greetings, attention, quick service and orientation to clients. They defined poor service as inattentiveness, favouritism, incomplete information, postponement and delays with no apology.

Customers thought that timeliness/ quick service, greetings, equal treatment, customer orientation and employee motivation were prerequisite for a good service. Generally, the clients reported timelines as the most significant factor in provision of the service delivery. However customers reported that service delivery was often poor and that they were at a loss to know how to get it improved. Especial concern was expressed about favouritism which was said to exist not only in the financial sector but also in health and other sectors in Rwanda. Who you know determines the nature of the service you get. The more you know people in a service provider/institution, the faster it becomes to be served. Clients recommended that there should be penalties for service providers who offer poor services and also suggested that an advocate office should be established to advocate for the rights of the clients.

The managers understood the importance of good service delivery and considered speed of service as the most important single element of good service delivery. Some said that a quick service should come with a smile, the right attitude and mindset and above all a professional manner. Poor customer care was blamed by managers on staff not behaving an appropriate attitude and manner. Staff also thought that providing a quick service and attending to the needs of customers was important. However, they thought that poor customer service was due to factors beyond their control. They suggested that often there were insufficient staff on duty to provide an adequate level of service, that internet connectivity is slow, that the ATM machines are unreliable and there are frequent power cuts. They also thought that rude and offensive customers sometimes make it difficult for them to deliver a quality service.

Barrier to improving customer care

Most Managers say lack of adequate training and time constraints are the major impediments to providing good customer care. Other barriers include inadequate physical and human resources to deal with the number of customers. A poor work attitude among staff also impedes improving customer service delivery. A few of the managers said lack of staff with specific expertise was a problem and microfinance institutions managers said lack of financial resources to invest in modern facilities, resources to open enough branches and resources to train staff was a big barrier.

External factors also impinge on the ability of banks to deliver a quality service. Internet connectivity is a major factor; it is not only slow but also unreliable. Some few government



institutions have improved especially immigration, police and Rwanda Revenue Authority but problems persist at local government administration levels. The supply of water and electricity has improved although concerns about the reliability of the electricity supply remain. Suppliers of other logistical need very unreliable, unprofessional and violate contracts of supply. Employees thought that the major barrier to providing an improved service was internet connectivity and customers also highlighted this as a major constraint..

How Customer Care Service can be improved

The key informants suggested a number of measures that needed to be taken if service delivery is to be improved in the financial services sector: training senior managers and front desk staff in customer care; training staff in world class service delivery and sharing best practices to improve local service delivery; empowering clients so they demand their rights; having a national campaign to increase understanding on good service delivery, and; developing and disseminating models of good service delivery. The managers of financial institutions also recognised the need to improve service delivery. But their main priority was training staff in customer service delivery. Equipping staff with adequate knowledge about the company and its products, increasing capital, opening more branches, offering advisory services and making it easier to access loans were also mentioned as ways of improving service delivery by managers.

Priorities for clients included faster internet, the establishment of customer care offices to address customer complaints, improved loan procedures with information on the procedures easily available, motivating employees and training them in good customer care. They also suggested that penalties should be imposed poor service providers.

Conclusion:

The Drivers of Poor Service Delivery in the Financial Services Sector

It is evident from our case study of the financial services sector that there is no embedded value of customer service delivery or any signs of a commitment to develop customer centric institutions. There is a vague awareness that customer service delivery can be improved but plans for improving service delivery tend to focus on the symptoms and not the underlying causes. Given that in our previous research (IPAR 2009) the financial services sector came out as one of the better sectors the findings of this case study reinforce the finding of that earlier research that customer service delivery is poor in Rwanda and in urgent need of improvement. We accept that the financial services institutions are themselves affected by poor service delivery from other institutions, especially Government services, internet connectivity, electricity and schools and higher education institutions. However, there is much that the financial service institutions can do to improve service delivery. In figure 10 (above) we indicated the steps required for creating a customer focused organisation. We can see from our case study that the financial service institutions have barely reached the starting gate. There is little awareness of customer service delivery as a business imperative, little evidence of top team clarity and no evidence of policies,

However, there is much that the financial service institutions can do to improve service



delivery. In figure 10 (above) we indicated the steps required for creating a customer focused organisation. We can see from our case study that the financial service institutions have barely reached the starting gate. There is little awareness of customer service delivery as a business imperative, little evidence of top team clarity and no evidence of policies, practices and procedures for ensuring quality service delivery. There was little evidence of listening to customers, no systematic collecting of feedback from customers or formal complaints procedures in place. There was little evidence the interests of customers were prioritised and certainly none that targets for service delivery were in place. While there was recognition that training was important, few institutions had a budget for this and the priority for training was front-of-house staff with little recognition that senior managers needed training. While some institutions rewarded staff for good service, customer service delivery was not a key criterion and there was little recognition of competency in service delivery as criteria for recruitment or appraisal.

Whilst in our previous research we identified a number of potential supply and demand side factors that accounts for poor service delivery in Rwanda (see Figure 8 above) our case study of the financial service sector combined with our desk research suggests that the major underlying factor is poor management practices. Service sector institutions are not managed and led so that they are focused on delivering quality customer service. Other factors such as a lack of employee training and a lack of understanding by consumers as to the levels of service delivery they should expect are symptoms and not the root causes.



Developing A strategy for Customer Care excellence In rwanda

Intoduction

To improve service delivery and offer world class service a customer centric value system needs to be embedded across Rwanda. Organisations must be committed to becoming customer centric and Rwandans educated in what to expect from service providers. Mediocrity service delivery will endanger the realisation of Vision 2020 and the Economic and Poverty Reduction Plan. There is an urgent need to improve service delivery in Rwanda. Organisations have to take on responsibility for the service they deliver to internal as well as external customers. For service organisations improving customer care is central to organisational development and requires a transformation so service providers become customer centric. It is essential to recognise that improving firm-to-firm service delivery is as important as improving service delivery to customers. Banks cannot provide an excellent service if they do not have a reliable supply of electricity, internet connectivity and so on.

However, the Government can provide leadership and play an enabling role (Figure 16). The Government can provide strategic leadership. The Government can empower citizens and it can support the provision training for service excellence so that service providers offer a professional service. Importantly the Government can ensure that public sector service providers strive to deliver excellence. They can coordinate strategies to improve customer service delivery in strategically important sectors of the economy. Progress can be monitored by having a National Customer Satisfaction Index which measures consumer satisfaction with services in general and by sector.

Figure 17: The Role of Government





The policies developed by the Indian and South African Governments provide examples of the potential role for government's in improving customer service delivery in a key sector of the economy - tourism. However, while the campaigns explicitly encourage a change in attitudes to tourists they focus narrowly on improving the visitor experience without tackling the underlying causes of poor service delivery – a lack of a customer centric value system by service providers. They tend to focus on the symptoms rather than the underlying causes.

In the UK and South Africa the Governments have provided a strong leadership role by requiring government service providers to improve their customer service. Service providers are encouraged to become customer centric and may have developed their organisational quality so that they can achieve *Investors in People* or European Foundation for Quality status (charter marks). In the UK the Government has introduced the Government Service Excellence standard which public service providers are required to work towards achieving. The Government sets the standards, supports the development of professionals so they have the capacity to innovate to meet the demands of customers and raises the awareness of consumers (citizens) as to the standard of service delivery they should expect so that they demand excellent services. The Government Customer Service Excellence standard provides a tool for driving customer-focused change within organisations. There are five main criterion: customer insight; the culture of the organisation; information and access; delivery, and; timeliness and quality of services (Office of Public Sector Information, 2008). The standard was developed based on those areas that research has shown are priorities for customers (Cabinet Office, 2004).

Government Ombudsman Services can act as mediators between customers and service providers. When a service provider is unable to resolve a complaint to the satisfaction of the customer he/she can ask the Ombudsman service to mediate.

Governments can then play an important role; they can provide a framework within which service providers are encouraged to provide excellent service as well as regulation to support the development of an embedded customer centric focus in the country. They can ensure that citizens are educated so that they are aware of the level of service they should expect and encourage professionalism in those employed in providing services, a pride in doing a good job. Rwanda has many elements of what is required in place, what is now necessary is to bring these elements together and develop a policy framework and a strategic for becoming a country that strives to deliver world class service. There is recognition of the need to improve customer service at the highest levels and a commitment to develop a national policy. The Rwandan Development Board has a mandate to ensure the development of human capacity to meet the requirements of the Rwandan economy as well as to support the growth of the tourist industry and promote inward investment. They have already begun to deliver a training programme for staff in key service sectors to improve skills in service delivery. The higher education institutions deliver under and postgraduate degrees in management and the Higher Education Council is charged with overseeing the enhancement of quality and standards in higher education. The Ombudsman Service is in place. The e-government project is part of a commitment to joined-up-government and ensuring the delivery of a quality service. *The Rwandan Citizen Report and Community Score Card*, carried out annually, provides an example a survey of citizen satisfaction with the delivery of services by local government and provides a powerful tool for the districts to target improvements to services.

However, there is little evidence of an embedded value of service delivery across providers in the country. We found little evidence of service organisations having policies, practices and procedures in place for customer service delivery, and this was confirmed by our case study



of the financial services sector. Also there is a lack of awareness by Rwandans of the level of service delivery they should expect and a culture of accepting poor service delivery. However, our case study also revealed that there is an awareness that service delivery needs to be improved and policies, practices and procedures put in place but a lack of understanding as to how to do this.

However, while the government can provide an enabling and regulatory framework ultimately improved service delivery requires a transformation in organisations and a deeply embedded value of quality. This requires that organisations transform themselves, that they put in place policies practices and procedures for assuring and enhancing the quality and standard of the service they deliver, that they implement these policies, practices and procedures and regularly monitor their progress against targets. The core of this is organisational development, leadership by senior and middle managers, building the capacity of all staff, making employees feel valued and listening to customers. Quality organisations deliver quality services. Raising awareness by the government of what customers/citizens should expect from service providers will put pressure on providers to improve service delivery and enhance the experience of customers.

The National Strategy

The Government can provide a strategic framework for customer care excellence. It can provide a vision – a vision of world class service delivery. It can provide leadership, it can promote a value of excellent service delivery, and it can require central and local government service providers to put in place policies practices and procedures for delivering excellent services (Figure 17). It can regulate service providers, as for example, the European Union regulates the airline industry or many countries regulate health and safety in hotels and restaurants. It can also support schemes to quality assessment schemes such as the Visit Britain Hotel Quality Grading and Award scheme.

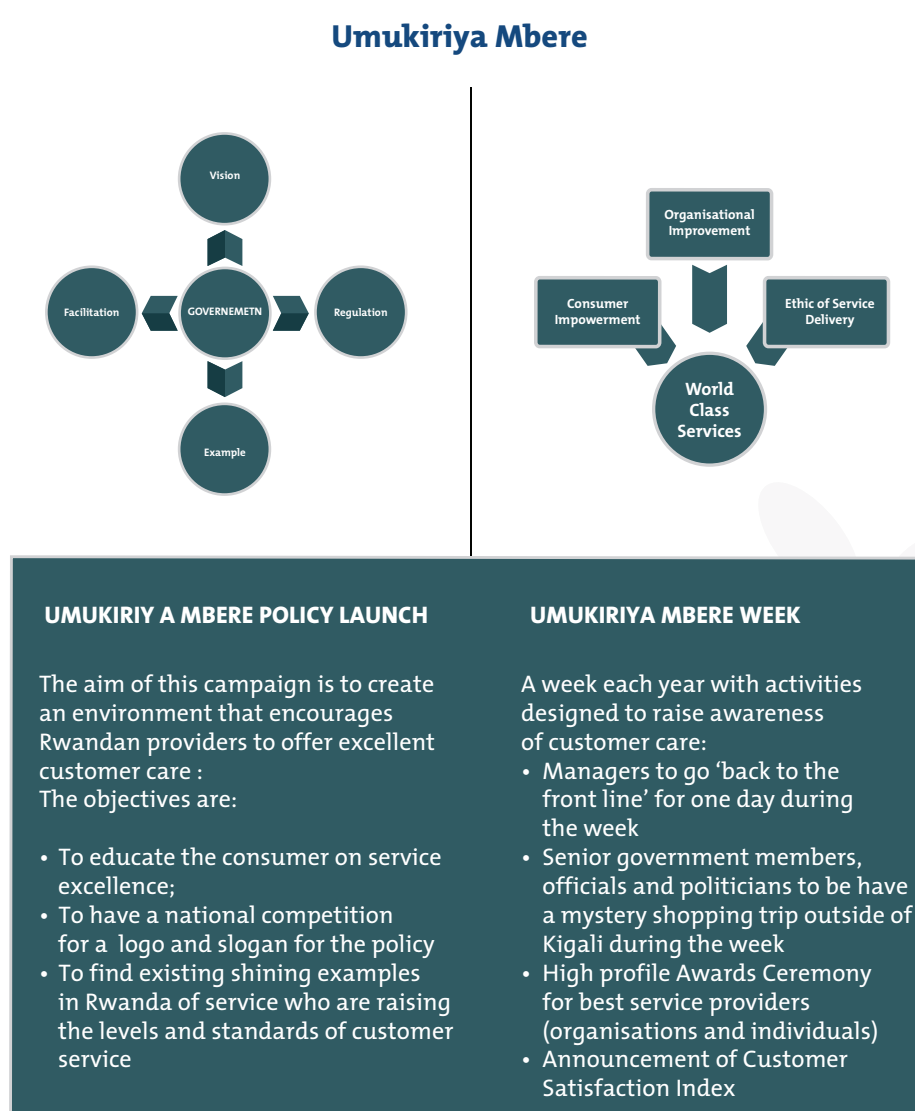
The Government could support the establishment of an Institute for Organisational Development to award organisations recognition for achieving quality standards such as *Investors in People, the European Foundation for Quality Model and Customer Service Excellence standards*. Post- school and in-service vocational training in service delivery could be provided for all grades of staff from senior managers to cleaners. The Rwandan Higher Educational Qualifications Framework could be developed into a post-school qualifications framework grading qualifications at all levels and providing guidance on the equivalence of academic and vocational qualifications like the Scottish qualifications framework. Thus enhancing the quality and standard of all post school education and training and ensuring that qualifications are internationally recognised.

Ultimately, however, the development and delivery of an embedded commitment to excellent service delivery requires a partnership between Government and the private and voluntary (civil society) sectors. It requires the development of an embedded ethic of service delivery, of empowered consumer who are aware of their right to excellent service delivery and of organisations that are customer centric (figure 18).

We would recommend that the Government adopts a Vision of Rwanda Delivering World Class Services and adopts a strategy for delivering this (Figure 18). The Government should build on the initiatives already underway and start by having a high profile launch of the Vision and reinforce the message by a Back-to-the-front-line week each year. Given the importance

of visitors to the Rwandan economy, the Government should develop a specific strategy for improving service delivery in sectors that have most impact on the visitor experience (Appendix 8). A number of countries have developed such strategies and we have already described those developed in India and South Africa. The OFT Group (2009) have made a similar recommendation. Providing evidence that such strategies increase the numbers of tourists and provide good value for money is difficult.

Figure 18: DELIVERING WORLD CLASS SERVICES



However, the generic research on what encourages repeat business and positive recommendations suggests that improving the service delivery to tourists should increase tourist numbers. Certainly the number of tourists in India increased following the implementation of the strategy (Appendix 8 provides an example of how the Welcome South Africa strategy could be innovated for Rwanda.).



Figure 19 suggests key strategies the Government could implement over the next five years to move towards Rwanda providing world class service delivery.

Figure 19: Implementation Plan – Five Year Outcomes

Target	Outcome
Awareness raised	High awareness amongst consumers and service providers. Institutionalisation of National Customer Care Week
National Satisfaction Barometer	A Customer Satisfaction Index series in place. A year on year increase in the over-all levels of satisfaction and with those for each sector.
Government service delivery world class	All local and central government service providers are delivering quality services
Service delivery for visitors world class	Increased numbers of visitors and tourists and high levels of satisfaction with Rwanda as a place to visit.
Coordination so all sectors and organisations are working together to deliver world class services	Joined-up-working to ensure that the country and organisations are customer centric
All organisations offering a service to the public with a Customer Service Charter in place	All organisations providing a service to have a Customer Service Charter in place. Improved levels of customer satisfaction understanding of what they should expect from a service provider and satisfaction with the service delivered
Rwanda Organisational Development Agency Operational	The Agency operational and service providers working towards accreditation. A masters degree in Organisational Development offered by one or more higher education institutions.
Rwanda Qualifications Framework implemented	A National Qualifications Framework in place and all post-school (life-long-learning) qualifications credit rated within the framework) Equivalence of vocational and academic qualifications established and learners able to take advantage of a ladder of opportunity..

Building a customer driven/Customer centric organisation.

The key to developing world class service delivery in Rwanda is the transformation of service providers, in the private and voluntary sectors as well as the public sector, so that they are customer centric, customer focused. This requires a commitment by the service provider to service delivery as central to the organisation. Quality services will only be delivered by quality organisations that have a vision and mission that encompasses world class service delivery. Policies, practices and procedures need to be put in place so that a commitment to service delivery is at the heart of the organisation service delivery (examples of Tools for Customer Service Delivery can be found in the Toolkit volume accompanying this report). Service providers need to ensure that the services they offer meet the needs of consumers and that they are aware of the needs of different customer segments. They need to have a senior member of staff (senior management level) responsible for the design and delivery of the customer service excellence strategy. They need to identify priorities and regularly review customer satisfaction through research and consultation. They need to ensure that the views of customers are taken into account in the design and delivery of services and report on improvements made in annual reports and feedback to customers. There must be a commitment to continuous improvement. It is also important that all staff are involved in the development of customer service policies and initiative. Staffs need to be trained to provide a professional service and they need to be made aware of the organisations customer service objectives. If employees are to deliver excellent service they must feel that they are valued by their employee and given appropriate discretion to use their initiative in delivering service excellence.

What are the Next steps

- The Governments accepts the recommendations of this report.
- The Government appoints a National Steering Committee to develop a strategy and 5 year plan for implementing the policy of Achieving World Class Service Delivery. The Steering committee should include independent members including representatives of consumers.
- The Steering Committee should be charged with undertaking wide spread consultation and coming up with an implementation 5plan. They should take account of the recommendations in this report.
- However, while the Steering committee is carrying out its task the government should:
- initiate a high profile Know your Rights Campaign;
- require all public sector organisations to review their policies, practices and procedures and ensure that they are customer focused;
- support the National Task Force continuing with its programme of work.
- The Private Sector Federation should encourage its members to review their policies, practices and procedures using Toolkit provided by IPAR and ensure that they are customer focused.



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Appendices

Appendix 1: The Service Sector

Service	Activities Related to the:
Wholesale and retail trade Transport and warehousing Information	Sale of goods Distribution of goods and people Gathering and dissemination of written, audio or verbal information, including films and recordings
Finance and insurance	Facilitation of financial transactions, including those related to risk management Temporary transfer of property or the definitive transfer of real estate
Real estate, rental and leasing	Provision of specialised, generally 'knowledge-based', expertise (e.g. legal, accountancy, engineering, IT)
Professional, scientific and technical	
Management of companies and enterprises	Management of companies and enterprises such as holding companies
Administrative and support and waste management	Day-to-day support of other organisations (e.g. clerical assistance agencies, travel agencies, personnel firms, security firms, catering firms)
Education Health and personal care	Provision of instruction and training (e.g. schools, higher education institutions, training centres)
Arts, entertainment and recreation	Provision of health and personal care (e.g. doctors, hospitals, clinics)
Accommodation and food services	Provision of entertainment in a broad sense (e.g. TV, museums, opera, theatre, sports and gambling establishments)
Public administration	
Telecommunications Other	Provision of lodging or of meals or of snacks or of beverages Governing or administration of public entities and programmes including central and local government, the police and public utilities Provision of personal services, repair and maintenance activities, professional societies, religious institutions

Source: Based on US Census 1999



Appendix 2: The Financial Sector in Rwanda

The sector of the economy that comprises of financial institutions and financial markets

OR

It is the set of institutions, instruments, and the regulatory framework that permit transactions to be made by incurring and settling debts; that is, by extending credit. (Source: <http://stats.oecd.org/glossary/detail.asp?ID=6815>)

The financial sector is composed of:

- Money market operated by the BNR
- Capital market operated by Capital Market Advisory Council [self-regulated] and related activities: brokers, underwriters, financial service providers, etc.
- Foreign exchange market operated by foreign bureaus [regulated by BNR]
- Commercial & specialized banks [supervised and regulated by BNR]
- Microfinance institutions (MFI) [deposits-taking MFIs are registered and regulated by BNR]
- Non-bank financial institutions (NBFI) such as pension funds, insurance companies and brokers [to be supervised by BNR]
- Equity finance and venture capitalists (e.g. RIG, REIC, Grofin)
- Payment systems operated by SIMTEL through BNR and forthcoming private partners
- Public registry at BNR and forthcoming credit reference bureau (Source: Briefing on Rwanda's Financial Sector by Jean - Francois Ruhashyankiko)

Appendix 3: Key Informants

- Fina Bank - Chief Operating Officer
- Kenya Commercial Bank - Chief Executive Officer
- Ecobank - Chief Executive Officer Commercial
- Bank of Rwanda - Chief Operating Officer
- Cogebanque - Director of Administration and Finance
- Bank of Kigali - Commercial Director
- Access Bank - Chief Operating Officer
- Bank Populaire - Chief Executive Officer
- Development Bank of Rwanda - Managing Director
- National Bank of Rwanda - Governor
- Africa Air Rescue (AAR) Insurance - General Manager
- Sonarwa Insurance - Managing Director and Commercial Director
- Soras Insurance - Managing Director
- Corar Insurance - Managing Director
- Ernest and Young - Managing Partner
- Capital Market Advisory Council - Operations Manager
- Rwanda Revenue Authority - Deputy Commissioner
- General Ministry of Finance and Economic Planning - Chief Economist
- Private Sector Federation - Chief Executive Officer
- Nakumatt Supermarket - Country Manager
- British American Tobacco - Director of Human Resources
- MTN - Chief Finance Officer
- Simba Supermarket
- Simtel - Chief Executive Officer
- Ruma Accounting Firm - Managing Partner
- National Bank of Rwanda - Insurance Regulator
- National Bank of Rwanda - Micro Finance Regulator
- Rwanda Development Bank - Deputy Chief Executive Officer in charge of Business Operations and Services On The Frontier - Country Director
- National Social Security Fund - Director General
- Immigration - Director of Planning and Research Grofin (Private Equity) - Country
- Manager Private Stock Broker Financial Sector Expert



- Brasseries et Limonaderies du Rwanda (Bralirwa) - Managing Director
- Alliance Insurance Brokers - Chief Executive Officer
- Utmost Insurance Brokers - Managing Director Inkingi SA - Manager
- Rwanda Microfinance SARL - Manager RIM SA - Managing Director CFE
- Agaseke SA - Director General
- Goshen Finance SA - Manager
- Coopedu/Duterimbere SA - Director General
- CT Gikondo - Assistant Manager
- Vision Finance - Manager
- Al-Halaal Microfinance - Managing Director
- Blue Financial Services - Manager

Appendix 4: Branch Managers and Employees

- 1) **Access Bank**
 - a) Nyabugogo
 - b) Head quarters
 - c) Gisimenti
- 2) **Cogebanque**
 - a) Head quarters
 - b) Kicukiro
 - c) Gisimenti
- 3) **Fina Bank**
 - a) Head quarters
 - b) Remera
- 4) **Bank Populaire**
 - a) Head quarters
 - b) Remera
 - c) Kicukiro
- 5) **Bank of Kigali**
 - a) Nyabugogo
 - b) Head quarters
 - c) Kacyiru
- 6) **Ecobank**
 - a) Headquarters
 - b) Kigali Business Centre (KBC)
 - c) Gisimenti



Appendix 5: Agendas for Focus Groups and Interviews

Agenda– Key Informant (Financial Institutions)

Questions on service delivery in the financial sector

- What is your view about the service delivery in the financial sector?
- Do you provide your customers with any incentives? If yes please give examples
- Does the government offer you/your institution any incentives? If yes please give examples.
- Do you have any means of obtaining feedback from your customers? e.g.
- Suggestion box?
- Complaint line?
- Customer Satisfaction Index?
- Other _____
- How much of your overall business resources are allocated to the training of your staff?
- Of this training how much is specifically allocated to customer care training?
- Does your organisation operate in other countries? If YES, how does the service delivery in Rwanda compare to the other countries?
- What challenges does your institution face in providing customer services in Rwanda?

Recommendations and strategy on improving service delivery in the financial sector

- What can be done to improve service delivery in the financial sector?

Agenda – Key Informant (Financial Expert)

Questions on service delivery in the financial sector

- What do you think about the customer care provided by the financial sector in Rwanda?
- How it compares in this respect with other countries, regionally and internationally?
- How do you think the financial sector can improve customer care in Rwanda?
- What do you think the barriers to improving customer care in Rwanda are?
- What do you think are the benefits to the financial sector would be to improving customer care? Why should Rwandans invest time and money in customer care?

Agenda – Key Informant (Non Financial Institutions)

General questions about your experience of customer service in Rwanda.

- What is your perception of Rwandan customer services?
- What is your definition of good and poor service delivery? Kindly provide examples of both cases?



Questions on service delivery in the financial sector

- Are you aware of any complaints procedure of your financial provider? Please provide examples
- How does service delivery from the financial institutions affect your organisation's ability to deliver?

Recommendations and strategy on improving service delivery in the financial sector

- What can be done to improve service delivery in the financial sector?

Agenda – Manager Interview

- How important do you think customer care delivery is?
- How do you feel about the service you deliver to customers? How do you feel you treat customers generally? Do you treat everyone the same?
- Can you give me some examples of good service delivery? Why do you think it is good?
- Can you give me some examples of poor service delivery? Why do you think it is poor?
- How do you think service delivery can be improved here?
- What would a customer do if they were dissatisfied with service delivery here?
- What do you think the priorities should be in improving service delivery here? Explain why these are the priorities? i Do you provide training for your staff in service delivery? (if No, then ask) Would you consider training your staff in service delivery?
- Do you reward staff who give good service deliver and if so how? Do you think staff who give good service delivery should be rewarded?
- Do you have experience of service delivery in other countries? How does service delivery compare here with other countries?
- How do you deal with customer complaints? Do you have a complaints procedure? Do you have an employee who is responsible for customer relations?
- What are the barriers for you improving customer care delivery?
- How do you feel about the service providers (e.g. private security firms, Electrograz, MTN etc) that provide services to your organisation?
- Can you give me examples of good delivery?
- What about examples of poor delivery?
- How does poor service delivery affect your organisation's ability to deliver good customer service?

Agenda – Employee Focus Group

- How do you feel about the service you deliver to customers? How do you feel you treat customers generally? Do you treat everyone treated the same?
- What do you think is good about service deliver, in your place of employment? Can you give me some examples of good service delivery? Why do you think it is good?



- Can you give me some examples of poor service delivery? Why do you think it is poor?
- How do you think service delivery can be improved at your place of work?
- What would a customer do if they were dissatisfied with service delivery at your place of work?
- What do you think the priorities should be in improving service delivery at your place of work? Explain why these are the priorities?
- Have you been trained in service delivery? What sort of training have you had? (If NO, ask them) Do you think it would be a good idea if you had training?
- Does your employer recognise staff who give good service delivery and if so how? Do you think staff who give good service delivery should be rewarded?
- Do you have experience of service delivery in other countries? How does service delivery compare in Rwanda with other countries?
- How do you provide orientation for your customers?
- Is there anything else you would like to say about service delivery at your place of work?

Agenda – Consumer Focus Group

- How do you feel about the delivery of services generally in Rwanda? How do you feel customers are treated generally in Rwanda? Is every one treated equally/fairly?
- Can you give me some examples of good service delivery? Why do you think it is good?
- Can you give me some examples of poor service delivery? Why do you think it is poor?
- How do you think service delivery can be improved?
- What would you do if you were dissatisfied with a service?
- Now let's talk about the financial sector, what do you think about the services provided by:
 - Banks? How can it be improved?
 - Insurance companies? How can it be improved?
 - Micro finance institutions? How can it be improved?
- What do you think the priorities should be in improving service delivery?
- Is there anything else you would like to say about service





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